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Abandoning hopes for veto power: Institutional options for sport's governing bodies in the EU

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Abstract

For a long time, sport's governing bodies have put high hopes in a consideration of sport in the EU Treaties. Ideally, such a sport consideration should not only entitle the sport bodies to get access to the EU budget but, more important, attach more weight to political considerations of sport specificity in proceedings before the European Commission and the Court of Justice of the European Union (CJEU). While the Treaty of Lisbon denied the sport bodies once more once any exception under EU law, it has set a new scenario to under which to develop EU sport policy. This article explores what institutional status would be most beneficial for the sport bodies in that new scenario. By employing basic ideas of veto player theory we arrive at the conclusion that veto power within EU policy making would be likely to grant sport bodies more influence in policymaking but can also result in bargaining deadlock without ending or solving the conflicts at stake. Only if the sport bodies would be given the status of a sole legitimate representative of sport matters, they could prevent any detrimental EU induced policy change. Since such a status is unlikely to achieve, our recommendation for the sport bodies is to continue to pursue a more inclusive approach towards other stakeholders in the sport sector.

Introduction

Since the seismic *Bosman* judgment, sport governing bodies have long lobbied the Member States to take the necessary decisions that could grant them favourable application of European Union (EU) law to sport in cases adjudicated by the European Commission and the Court of Justice (García 2007). In the eyes of the sport bodies, the preferred instrument for achieving that aim would have been a treaty provision exempting sport from the application of the EU's free movement and competition provisions (Weatherill 2010). The Treaty of Lisbon has finally inserted an article on sport (Article 165 of the Treaty on the Functioning of the European Union, TFEU), but it does not contemplate any legal exemption and early legal analysis point out that it is unlikely to modify the approach taken by the Commission and the Court of Justice of the European Union (CJEU) in the application of EU law to sport (Parrish et al. 2010, Weatherill 2010).

Now that the EU has the legal base to develop a supplementary and complementary sports policy, it is pertinent to explore whether sport bodies will have any involvement in the development of such policy. Here, we explore what institutional status, within EU policy making, would benefit the sport bodies' policy preferences most. This focus on sport bodies has a three-fold justification. First, because Article 165 TFEU itself calls for EU institutions to take account of 'the specific nature of sport, its structures based on voluntary activity' and to 'foster cooperation with third countries and the competent international organisations in the field of education and sport' when developing EU sports policy. Second, because the three main EU institutions involved in the legislative process (Commission, Council and Parliament) have all expressed their willingness to involve sport organisations in this process. Indeed, the sports ministers meeting in the

Council recently adopted a resolution ‘establishing a high-level structured dialogue with sport’ that will be coordinated by the rotating EU presidency (Council of the European Union 2010: 12). Third, because the involvement in the EU sports policy-making community might have consequences for the internal governance structures of sport.

Our main argument is that, for sport organisations, achieving some form of veto power in the policy process would indeed reduce the risk of detrimental policy change induced by EU decisions, but on the other hand veto power can bring about ambiguous effects since it can result in deadlock, governance instability and venue shifting. Only if the sport bodies would be given the status of a sole legitimate representative of the so-called sporting movement, they could easily prevent detrimental EU induced policy change. The latter, however, is extremely difficult (if not almost impossible) to envisage given the trend towards network and multiple stakeholder governance structures in European sport that has been well documented in the last years (see for example García 2010, Council of the European Union 2010).

We support our argument by employing the analytical tools of veto player (VP) theory as developed by Tsebelis (1995, 2002). VP theory allows analysing the implications of different institutional rules on decision making outcomes. We proceed as follows. First, we present some basic theoretical propositions about effects of veto power on decision making output. Second we explain the methods and calculations behind our VP analysis. Third, we provide empirical evidence by examining two well-known competition policy cases in sport. These are the Commission investigation into the collective selling of UEFA Champions League broadcasting rights and the Commission investigation into the FIFA international transfer system. Finally, we conclude with an

analysis of the lessons to be learnt from the case studies with a view to the future development of EU sports policy.

Veto player status and policy stability

For examining the effects of a different institutional status for sport bodies in EU policy making, we rely on basic ideas of VP theory. VP theory provides the analytical tools for explaining policy change and stability under different institutional settings. Thus, VP theory enables us making substantial propositions about possible effects of the role of sport bodies within EU decision making procedures. Since the sport bodies have tried for a long time to block or restrict as much as possible EU induced policy changes, they can be considered aiming at getting veto player status. We are set to examine the extent to which such a veto power can be attained within the institutional constraints of EU policy-making.

According to Tsebelis, a veto player is any ‘individual or collective actor whose agreement [...] is required for a change in policy’ (Tsebelis 1995, p. 301). Tsebelis distinguishes between institutional and partisan veto players. The former have been provided veto power by institutional rules, whereas the latter are created by the political game at stake. VPs are conceptualised as pure policy-seekers trying to maximise their gains on different policy dimensions. Thus, VP theory represents a rational choice approach and relies on spatial modelling of veto players’ policy positions coming with major implications. First, a VP’s behaviour is determined by its policy preferences or, in terms of spatial modelling, by its ideal point in an n -dimensional policy space. Second, as policy seekers, VPs accepts even very small gains as long as those exceed decision or transactions costs, and, third, a VP never accepts policy losses, i.e. a policy moving the *status quo* away from its ideal point (Ganghof & Bräuninger 2006). Therefore, if the

sport bodies were able to achieve veto power in certain EU decision-making procedures, they would be certainly better off than without:

Proposition #1: Providing sport stakeholders veto player status is likely to increase their influence on policy-making.

Within VP theory, the main dependent variable is policy stability, which is defined by the ‘winset of the status quo’, that is, the set of outcomes that can defeat current policies (Tsebelis, 2002, p. 21). In an n -dimensional policy space, the winset is constituted by the intersection of restrictions that each participant imposes on the set of outcomes. Thus, one major implication of VP theory is that, even without considering the specific preferences of VPs, it is possible to deduce that an increase in the number of veto players will difficult policy change (Tsebelis 2002, p. 24). Since policy change becomes more unlikely as the number of VPs increases, we can hypothesise:

Proposition #2: Providing sport stakeholders veto player status is likely to increase the stability of the policy status quo but might result in policy deadlock rather than in conflict resolution.

Policy stability can be increased (i.e. status quo maintained) to the point of ‘policy deadlock’ even in the face of pressing reform needs. According to VP theory, this is particularly likely not only when the number of VPs increases but also when the ideological distance between and the internal cohesion of the involved VPs increases (Tsebelis 2002, p. 37). Moreover, the risk of policy deadlock grows when the focal political venue is biased towards a narrow issue definition, since a stalemate between actors in, for example, a two-dimensional issue space cannot be solved by considering

an additional dimension allowing making concessions to some of the actors and thus enabling an agreement (Tsebelis 2005).

Given the hostility of sport bodies to any further ‘deepening’ of EU sport policy, it is fair to suggest that VP status has the potential to, at least, minimise the sport bodies’ problems at EU level since they could attempt to block policy change (e.g. further regulation) and maintain the *status quo*. Yet, preventing policy change from happening represents only a viable solution as long as policy problems do not require policy innovations.

Accordingly, policy stability has major implications for the structural characteristics of a political system (Tsebelis 2002, p. 3-5). On the one side, inability to initiate necessary policy change can decrease system stability. For example, stakeholders dissatisfied with policy *status quo* within traditional sport governance might walk out of the sport bodies. For analysing EU policy processes, it is necessary to take the specific features of the EU as a political system into account. ‘[T]he EU system is a chain of institutions’ that can act as veto as well as access points (Zito 2001, p. 586). The fact that the EU provides a multitude of access points for interested actors (Jönsson et al 1998, p. 328) implies that actors frustrated by a stalemate in a particular political venue might switch to arenas where they can assume to meet more favourable conditions. This reasoning leads to the following hypothesis:

Proposition #3: In case, sport bodies’ veto power in a particular area results in policy deadlock, policy issues might be taken to venues where the sport bodies do not enjoy the advantage of veto power.

Here, we explore empirically the merits of VP theory and these theoretical propositions. We examine the differential effect of VP status for sport bodies in two competition policy proceedings against sport bodies that came with far-reaching implications for European football governance.

Methodology

Our case studies relate to two contentious issues where EU decisions have been intimately linked to the governance of European football in recent years: collective selling regimes of TV broadcasting rights and the regulation of the players market. We will employ the tools of spatial modelling of actors' policy positions in a more dimensional policy space to measure actors' influence on decision-making outputs. As policy seekers, political actors are assumed to have an 'ideal point' in a more-dimensional policy space reflecting their preferred combination of policies (Tsebelis 1995, 2002). Each actor is indifferent among combination of policy options that are in equal distance from this ideal point. Indifference curves run through the policy *status quo ante* implying that actors accept any marginal policy shift towards their ideal point. Finally, we attach no weights to different policy dimensions and, accordingly, assume circular indifference curves.

Spatial analysis allows assessing an actor's increase or decrease in utility in the course of the political game. By ignoring the costs of political action, we assume that the utility u of a political actor a can be modeled as a function of its 'preference attainment' (pa_a).

$$(1) \quad u_a = \int pa_a .$$

Preference attainment is conceptualised as a comparison of an actor's ideal point with the policy *status quo ante* and the policy status *ex post*. Therefore, preference attainment

can be calculated as the difference of Euclidian distances d of actor's a ideal point ip_a to the policy *status quo* before the start of the political game at stake (SQ_t) and after its end (SQ_{t+1}). Thus

$$(2) \quad pa_a = d_{a_{SQ_t}} - d_{a_{SQ_{t+1}}} .$$

Relative preference attainment rpa_a can be written as:

$$(3) \quad rpa_a = \frac{d_{a_{SQ_{t+1}}} - 1}{d_{a_{SQ_t}}} .$$

In an n -dimensional policy space, Euclidian distances are calculated as follows:

$$(4.1) \quad d_{a_{SQ_t}} = \sqrt{\sum_{i=1}^n (SQ_{t_i} - ip_{a_i})^2} , \text{ and, accordingly:}$$

$$(4.2) \quad d_{a_{SQ_{t+1}}} = \sqrt{\sum_{i=1}^n (SQ_{t+1_i} - ip_{a_i})^2} .$$

Spatial modelling requires to identify the most relevant policy dimensions and to assess the policy preferences of the actors involved. here, we rely on policy and negotiation documents or public statements issued (cf. Dür, 2008a). Even though we deal with very specific issues and relatively clear interest constellations, determining actors' preferences is generally problematic and any method for assessing policy positions come with their own limitations (Tsebelis 2005). We try to mitigate measurement problems by combining preference measurement with process tracing in order to validate our assessment of policy positions (cf. Dür 2008b). Since we are aware that we present highly stylized facts, we also provide details of our measurement in the appendix.

Rationale for case selection

We analyse two competition policy cases that proved to be most consequential for European football governance, that is, the (1) proceedings on a collective selling regime of TV rights for the UEFA Champions League and (2) the negotiation for the reform of FIFA international transfer system.

That focus on competition policy issues rests on theoretical and methodological considerations. First, the competition policy venue has been of utmost importance for actors feeling aggrieved by regulations of the sport bodies (Weatherill 2003). Second, the competition policy issues under scrutiny represent a natural laboratory for studying the impact of VP status. Admittedly, our case studies are not of very recent origin but we have chosen them due to careful consideration. The fact that we deal with settled and not so recent cases, enables us to study longitudinally the complete sequence from inception to implementation and consequences, whereas current developments are forcefully ‘incomplete’. We feel that the advantages of being able to study these case studies through all the stages outweigh the disadvantages. For example, the Karen Murphy case (Football Association Premier League Ltd v QC Leisure (C-403/08)), which is currently awaiting judgment before the CJEU has the potential to challenge the system of rights segmentation as established in the Champions League, but a final decision of the Court has to be awaited (see Danson 2011, Geey 2007 for detailed analysis; see also Advocate General Kokott Opinion of 3 February 2011 – [2011] ECDR 11 – for a thorough summary and recommendations to the Court) Third, the formalised character of competition policy eases the task to identify institutional and partisan veto players and to classify the relevant dimensions of the policy space.

EU competition policy has some characteristics of a horizontal ‘meta-policy’ taking precedence over other policy areas (Wilks 2005a, p. 114-5; Wilks & Bartle 2002, p. 149). The Commission has managed to expand its competences to develop competition policy into one of the most centralized and powerful EU competences (Wilks 2005a, b). The Commission, more precisely the DG Comp as responsible Directorate General, enjoys a strong role in designing and enforcing policy. Until European competition policy was decentralised, the Commission possessed a ‘monopoly’ to grant exemptions (under Article 101 (3) TFEU) (Wilks 2005b, p. 433; see also: Wilks & Bartle 2002, p. 164). The key actor, crucial for the Commission, is the courts ‘and so long as its actions are legally defensible the Commission has been able to act assertively and directly’ (Wilks 2005a, p. 134; cf. also Lehmkuhl 2008). However, some competition policy issues take the high politics route which can result in intense Member State involvement (Peterson 2001; Princen & Rhinard 2006). Therefore, decisions can rest on intense political negotiations and compromise (Wilks 2005a, p. 127).

Thanks to its extensive procedural powers, DG Comp can act as agenda-setter of the *competition policy game* defining the relevant dimensions of the policy space and the direction of the expected policy shift. DG Comp can also influence the set of partisan veto players by inviting interested parties to participate in the proceedings. Yet, DG Comp faces the risk that additional partisan VPs are created by the specific political game played. Other DGs constitute potential partisan VPs in case they pursue agendas highly at odds with DG Comp’s policies (Karagiannis 2010). Moreover, even the Member States can appear as partisan VPs if they signal strong and unanimous resistance against a particular initiative of DG Comp. Finally, an approval of a respondent’s proposal for policy change by the Commission constitutes only the end of the competition policy game if none of the partisan VPs files a suit against the

Commission's decision. In that case, the final decision within the competition game is left to the CJEU or, in case they can agree on a treaty revision, the Member States.

Our case selection allows studying the effects of different partisan VP constellations on the policy output: In the Champions League case we find a proceeding where UEFA did not enjoy VP status. The international transfer system case is slightly more complex, with a first phase with VP status for a number of participants and a second phase that constitutes the case of a highly politicized competition policy game granting sport bodies preferred VP status. As both cases are well known and researched at in the literature, we present highly stylised facts in order to focus on the theoretical analysis and discussion of the consequences for the governance of football and EU sport policy.

The Champions League case: Substantial policy shift without VP status

Collective selling of TV rights for football competitions is common practice and was not a relevant issue for competition authorities in Europe until the deregulation of European TV markets in the 1980s, which considerably increased commercial value of attractive sport rights (Spink & Morris 2000). Sport bodies took quick advantage of the new opportunities by selling the broadcasting rights exclusively to TV operators for long periods of time. This was the case of the Champions League. In 1992, UEFA turned its top competition, the European Champion Clubs' Cup, into the Champions League (CL) with the explicit aim to increase its own revenues (UEFA, 2001). To maximise its gains, UEFA restricted output and entered in long-term exclusive contracts with broadcasters (Parlasca & Szymanski, 2002). Given the potential of live football broadcasting to attract customers (and advertising revenue) to TV channels, the type of long-term exclusive contracts that UEFA first designed had the potential to create

domination in an audiovisual market that had just been open to competition from the monopoly of public broadcasters (Toft 2003).

Particular weak position of UEFA

UEFA, as organiser of the UCL applied for clearance from the Commission (under the then Article 81 (3) TEC [now 101 (3) TFEU]) for its proposed system of central selling of TV rights for the tournament (European Commission 2001c). Since under this procedure, the burden of proof is shifted to the notifying parties, UEFA did not enjoy VP status but faced a particular weak institutional position because it was the object of the investigation and, as such, the Commission did not need its approval to reach a decision.

UEFA argued that it would not organise the Champions League without its joint selling arrangement and without being able to redistribute the revenues among the football family (European Commission 2003, para 130). Moreover, UEFA considered marketing control of European club competitions as central for maintaining its predominant role in European football governance (Holt 2006, p. 22). Moreover, the organisation's financial sustainability was also at stake (UEFA 1998). The arrangements proposed by the governing body consisted of UEFA selling on behalf of the clubs a bundle of all the free-to-air and pay-TV rights on an exclusive basis to a single broadcaster per country for a period of up to four years (European Commission 2001c; Parrish 2003, p. 123).

Narrow issue definition neglecting matters of sport

DG Comp defined the policy issue narrowly in economic terms leaving considerations of sport governance out of consideration. DG Comp mainly aimed to prevent distortions in the recently de-regulated European TV market. Two aspects were relevant: First, *degree of supply side competition*, that is, the number of suppliers of

UCL matches to be broadcast. For DG Comp, monopoly supply by UEFA restricted the number of live UCL games as compared to each club marketing their own matches, which would increase supply of games. Second, *exclusivity* was crucial since exclusive contracts for one single TV operator per market has the potential to create distortion in the so-called ‘downstream market’, that is, the television market where channels compete.¹

After UEFA started the proceedings with its notification on 19 February 1999, DG Comp issued a statement of objections on 18 July 2001, informing that the selling arrangements proposed by UEFA were not eligible for an exemption under the now Article 101 (3) TFEU (European Commission 2003, para 18). DG Comp aimed at reducing the exclusivity of rights and at reducing the number of unexploited rights, that is, the number of non-broadcasted matches. In sum, DG Comp’s agenda was dedicated to a major policy shift consisting of an increase supply side competition and a reduction of exclusivity of rights (cf. European Commission 2001c, 2001d, 2003).

Emergence of additional partisan VPs

Additionally, UEFA faced the emergence of a partisan VP due to the natural interest of top clubs in a decision that could (potentially) allow them to market their own TV rights. The initial position of the top clubs (formalised in the creation of the G-14 lobby organisation) was that in principle they could be better off with decentralised selling of broadcasting rights of their own matches. However, clubs had only a minor say on the commercial exploitation of the Champions League (García 2010). This changed when fourteen European top clubs received an offer to participate in a closed break-away league competition in the beginning of 1998 (OJ No. C70, 13.03.99).

That possibility of a power shift was reinforced when DG Comp objected to UEFA's initial proposal of central marketing. The threat of constituting a breakaway tournament, together with the investigation launched by the Commission inspired the top clubs in 2000 to formally institutionalise 'G-14' as a European Economic Interest Group (EEIG) (Siekmann 2009). The clubs' position was strengthened by DG Comp's decision to invite G-14 to comment on the arrangements proposed by UEFA (European Commission 2003, para 92-4), which allowed DG Comp to raise issues of rights' ownership in the proceedings (Van den Brink 2000). Initially the case at stake was a request for clearance in which UEFA considered itself to be the owner of the rights. Only by inviting G-14 could DG Comp enter into issues of ownership.

Thus, G-14 was turned into a partisan veto player, without whose agreement the proposals of UEFA to sell the Champions League's TV rights could not be exempted by the Commission. However, G-14's demands were relatively modest probably because the digital TV crises weakened the top clubs' position (cf. Banks 2002). Moreover, G-14 was afraid that CL could be destabilised by the media markets' downturn if collective selling was completely abandoned (Bossmann 2001). Thus, G-14 requested getting permission for secondary exploitation of broadcasting rights, decentralised selling of so-far minor rights and a stronger say in the marketing of CL sponsoring (European Commission 2003). In addition, G-14 pressed for some reduction in the exclusivity of rights granted to TV operators in order to increase revenues in new media markets (Wulzinger 2001).

Failure of issue politicisation

Once the Commission made clear through its statement of objections that the initial proposals were not acceptable (European Commission 2001c), UEFA looked for the

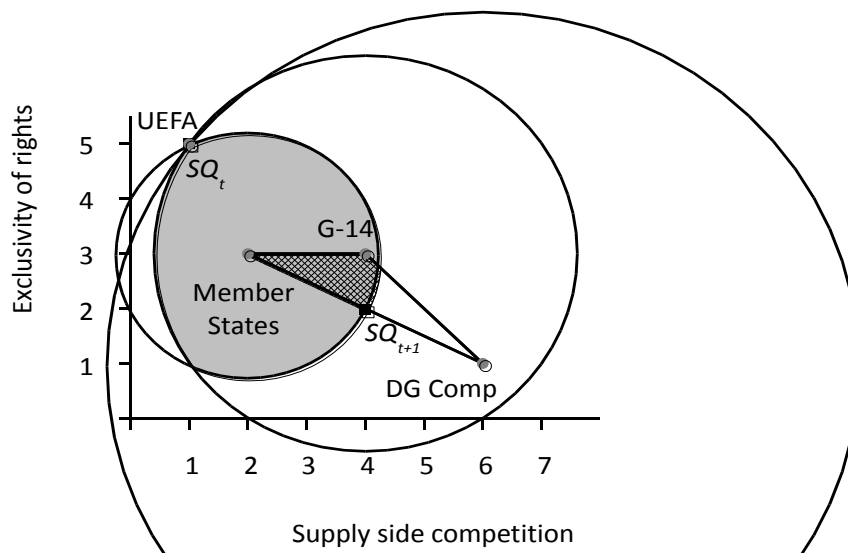
support of the Member States. UEFA requested its national associations to contact national leaders and it even sent the FAs sample letters to be used for that purpose (Interview, senior director, The English FA, April 2006).

In the 2000 Nice Declaration on Sport the Member States expressed their support for some of the sport bodies' arguments: '[t]he European Council thinks that moves to encourage the mutualisation of part of the revenue from such sales, at the appropriate levels, are beneficial to the principle of solidarity between all levels and areas of sport' (European Council 2000). However, anti-competitive practices in sport broadcasting clashed with the Member States' interest in stimulating new media markets (see for example SN 100/1/02 REV 1). The Commission's focus on barriers for multi-platform content (European Commission 2002c) allowed DG Comp to link its agenda within sport broadcasting to the Member States' interest in creating a vibrant European new media industry (Ungerer 2003b). Thus, while Member States sided with UEFA on supply side competition, they were interested in reducing exclusivity in the downstream market.

Policy making output: Substantial policy losses for UEFA

According to spatial analysis, DG Comp was the major driving force behind the reform of UEFA's marketing scheme. Yet the fact that the ideal points of Member States and G-14 were also located in some distance from UEFA's incumbent collective selling regime, created a winset leaving room for a substantial policy shift detrimental to UEFA's interests. In addition to substantial policy losses, G-14's partisan VP status forced the sport body also to enter into negotiations with the lobby organisation and to make concessions with substantial implications for sport governance.

Figure 1. Spatial representation of the collective selling issue



Note: Own depiction, details on measurement of policy positions and outcomes in the appendix. *Winset* = grey area, *Unanimity core* = triangle connecting ideal points of Member States, G-14 and DG. Intersection of *winset* and *unanimity core* = shaded area. Relative preference attainment (*rpa*) as policy equilibrium moves from SQ_t to SQ_{t+1} : Member States = ± 0 ; DG Comp = -0.65 ; G-14 = -0.72 ; *rpa* cannot be calculated for UEFA since $d_{d_{SQ_t}}$ equals zero.

The new policy *status quo* subjected UEFA to detailed behavioural regulations by defining sport broadcasting as an ‘essential facility’ for media operators (Hoehn & Lancefield 2003). The final outcome of the proceedings was a three-year exemption under article 101 (3) TFEU to a revised version of the selling arrangements proposed by UEFA. The governing body had to modify its initial policy of central selling and long exclusive contracts. UEFA was forced to divide its commercial rights into fourteen packages, to be sold on a country by country basis for a period not exceeding three years (European Commission 2002, p.1). In terms of ownership of rights, the Commission opted for an equitable decision whereby both UEFA and the participating clubs were considered co-owners (European Commission 2003, para. 32-40). UEFA

had to agree to selling of some rights by the clubs, in particular minor rights within the new media markets. After these concessions, G-14 signalled that it would not object the maintenance of such a revised collective selling system (European Commission 2003, para 92-100). This outcome can be considered a stable policy output because it is located within the ‘unanimity core’ of Member States, DG Comp and G-14. Accordingly, none of these actors faces incentives to re-negotiate.

In terms of VP theory, the lesson for UEFA is that without VP status, the sport bodies face the risk of suffering policy shifts detrimental to their position within sport governance. UEFA was able to restrict the policy shift as long as its preferences aligned with the Member States’, but it had to make some concessions when its preferences were not aligned with the Member States’ nor the Commission’s. The final decision of the Commission was acceptable for UEFA (García 2007), but it forced the organisation to modify its initial strategy, nonetheless. Thus, based on the case study, such shifts of the policy *status quo* in considerable distance from the sport bodies’ ideal points are in particular likely in case the agenda is narrowly defined by an actor not responsive to sport’s concern, the Member States do not side completely with the sport bodies, and the Member States do not make efforts to politicise the issue at stake.

Thus, the analysis of this case study suggests some interesting lessons for current and future development of EU sports policy. Current developments seem to suggest our theoretical analysis is accurate. Governing bodies such as UEFA would be better served with VP status, but this is almost impossible to achieve in the EU legislative process, which is characterised by multiple institutions and entry points. Therefore, the governing bodies need to focus on lobbying and aligning their preferences with the EU institutions. In general terms they are being successful at this, with current discussions

on the socio-cultural dimension of sport gaining prominence (see European Commission 2007, 2011) and the concept of the specificity of sport mainstreamed in the debate on the implementation of Article 165 TFEU (see Parrish et al. 2010, European Commission 2011). However, this falls certainly short of having VP status in the policy process and, therefore, the governing bodies are open to policy shifts. This is most clearly seen in cases that depart from the legislative arena, such as the already mentioned *Murphy* case, or the *Charleroi* case. The latter is of interest because, unlike *Murphy*, it has already reached a conclusion. In *Charleroi*, UEFA and FIFA faced a legal challenge to their rules on the release of players for national team duty. The details of the case are beyond the scope of this article, but not the dynamics. The governing bodies were certainly facing the threat of an important policy shift because (1) the issue was narrowly defined in terms of competition policy, and (2) they did not enjoy VP status in the proceedings. Their only hope was to align their agendas to the Member States' using the concept of sports specificity, but the CJEU is a difficult venue to effectively control that process. In the face of a possible upset the governing bodies preferred to settle out of court, conceding to some of the clubs demands. Most importantly for us, UEFA set up the Professional Football Strategy Council, where the governing body discusses pertinent policies with clubs, leagues and players. This is an internal UEFA body and, therefore, it removes policy making from the EU arena, where the governing body risks losing control.

The judicial/legal arena presents clearly important challenges to the governing bodies, which supports our theoretical claims. But the risk of not having VP status can also be seen in the legislative arena. Certainly, governing bodies have a larger margin of manoeuvre in this arena. In this respect it is interesting to analyse the possible EU regulation of sport agents. The Commission (2007, 2011) suggested this could be an

area in need of EU legislation, whilst FIFA and UEFA have repeatedly opposed EU action in that area. The Commission is currently conducting an impact assessment (European Commission 2011), a first step that could lead to legislation, and the European Parliament might be ready to support that decision². If the Commission decides to initiate legislation in the field of sport agents (including football), it will certainly consult sport organisations along the process, but there will be no institutional VP status for any of the stakeholders. Sport bodies will need to devise a strategy whereby they can achieve partisan VP status through the political game in order to avoid major policy shifts away from their preferred *status quo*. Needless to say, that is not an easy task, although the multi-level and multi-institutional nature of EU policy making presents, at least, a variety of venues for the sport bodies to play their strategy.

First phase of players' market negotiations: Policy deadlock under a multiple VP constellation

. The EU's attempt to liberalise European player markets have been met with strong resistance by European football bodies because, regardless of academic doubts (cf. Moorhouse 1999, 2007, Szymanski 2003), in their eyes player market restrictions served a number of rationales. First, restrictions of player mobility should serve to facilitate competitive balance by preventing the top teams from monopolizing top athletes. Second, transfer fees were assumed to subsidise small clubs. Third, restrictions on player mobility should prevent salary increases threatening economic stability. Fourth, compensation fees for training efforts by clubs were deemed necessary in order to create incentives for training young talents. These claims were central for the European model of sport that places its emphasis on the educative contributions of (grassroots) sports.

However, transfer regulations have the effect that players get treated as commodities (Gardiner & Welch 2007) and are exploited by the clubs (Downward & Dobson, 2001). In *Bosman*, the ECJ (now CJEU) abolished the FIFA transfer system requiring transfer payments even after end of a player's contract. The Court also abolished the so-called nationality quotas (cf. Weatherill 1996). Professional football adapted to the judgment by extending contract terms preventing players from changing employers. Transfer fees at the end of a contract were simply substituted by (skyrocketing) fees for a preliminary breach of contracts (Branco Martins 2009). The Commission was not satisfied that the new arrangements complied with the ECJ decision in *Bosman* and, therefore, it decided to open an investigation.

Narrow issue definition neglecting matters of sport

When attacking the post *Bosman* system in 2000, DG Comp defined the issue in a narrow manner and focused on two main issues: *contract stability* (i.e. minimum and maximum duration of contracts) and transfer or *compensation payments*. That issue definition left considerations about solidarity mechanisms within European sport out and did not allow expanding towards collective bargaining, which served to restrict the room for compromises among the involved actors.

The Commission sent an official 'statement of objections' to FIFA in December 1999 claiming that the transfer system violated competition law (Pons, 1999; Egger & Stix-Hackl, 2002). DG Comp announced that it would not tolerate restrictions of athletes' freedom of movement and the abuse of the sport bodies' dominant position. Any exception was only offered for arrangements promoting competitive balance and training efforts (cf. European Commission, 1999).

DG Comp aimed at granting players a right for unilateral breach of contracts that was planned as a 'buy-off right'. After consulting the football players trade union (FIFPro), DG Comp demanded a yearly right of contract termination for players. Moreover, DG Comp intended to make an end to discretionary transfer fees (*Frankfurter Allgemeine Zeitung*, 12-Dec-00). Thus, DG Comp's initiative represented again an attempt to substantially shift the policy *status quo*.

Creation of multiple VP constellation

Since the proceedings were initiated by DG Comp, the involved sport bodies enjoyed now a slightly stronger institutional position as respondents because the burden of proof was on DG Comp's side. DG Comp signalled the football bodies that any reform of the transfer system had to be acceptable for FIFPro, preferably approved by the international football players' union (European Commission 2000, p. 2). Thus, FIFPro was turned into a partisan VP, for it was certainly supportive of DG Comp's position.

In response, the football bodies strongly lobbied the Member States in order to prevent a major policy shift. When tri-partite negotiations between FIFPro and the governing bodies stuck, UEFA requested its football associations (FAs) to contact national leaders (Interview, FA senior director, London April 2006, cf. García 2007). National governments supported some of the claims of football governing bodies at this stage of the Commission investigation. In September 2000, the British PM and the German Chancellor issued a press release signalling their scepticism about any radical reform of the transfer system. Yet both PMs demanded a cooperative solution paying regard to all stakeholders (Federal Government Press Release 425/00). Thus, the PMs demanded all stakeholders to be treated as partisan VPs in order to facilitate a broad consensus. In December 2000, right in the middle of the proceedings, the Member States' Nice

Declaration supported again a cooperative solution of the player market issue ‘with due regard for the specific requirements of sport, subject to compliance with Community law’ (European Council 2000, para 2). The Member States clearly signalled that they expected more concessions from the Commission and a consensual solution (Dimitrakopoulos 2006). Thus, issue politicisation by the Member States created a multiple VP constellation.

Unsolvable conflicts due to preference heterogeneity

However, the Member States underestimated preference heterogeneity among the involved actors. Even the Commission seemed to be internally split over the transfer issue, as DG Comp faced a competing agenda that emerged within DG Education and Culture (Parrish 2003, p. 68-71). The Commissioner on Education and Culture (responsible for sport), Viviane Reding, signalled support for training compensation. Whereas contract stability and economic viability of the professional game was not a major concern for DG Culture, they encouraged the football bodies to present proposals concerning a reformed system for training compensations that could maintain a compensation mechanism within the margins of EU law rather than scrapping it altogether (Reding 2000).

Even FIFA and UEFA pursued different agendas. FIFA’s top priority was to convince the Commission to accept training contracts and standardised (that is, not individually calculated) training fees, and solidarity mechanisms resulting in redistribution from professional clubs to grassroots clubs. In an attempt to maintain these revenue transfers, FIFA was even willing to strike its own deal with the players directly, which provoked UEFA to threaten with secession (UEFA 2000, Bose 2000).

UEFA was much more dedicated to the clubs' concerns about contract stability. Thus, UEFA forced FIFA to pursue a less liberalising agenda and tried to defend the *status quo* (see Bose 2000). The 'peace agreement' between UEFA and FIFA resulted in a common document sent to the Commission in October 2000, where they demanded a ban on the transfer of minors, and training contracts for players younger than 24 requiring compensation fees to be paid by the new employer and solidarity mechanisms. Moreover, the football bodies aimed to deny the player the right of unilateral contract termination and demanded contract terms between three and five years (FIFA, 2000).

For the professional clubs (represented in G-14's preferences) it was decisive to protect contract stability, because players are major business assets (Welch & Gardiner 2007). Therefore, G-14 tried to get access to the tri-partite negotiations in order to defend the *status quo ante* (*Frankfurter Allgemeine Zeitung*, 12-Feb-01). Given DG Comp's and FIFPro's interest in a substantial policy shift, that was not a viable strategy.

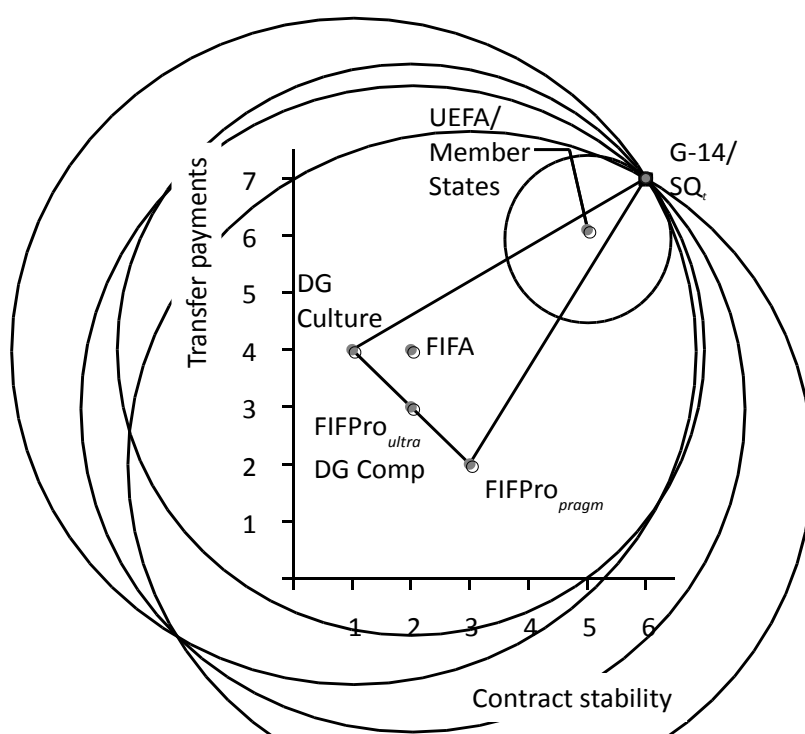
To add to the preference heterogeneity, FIFPro was paralysed by an internal clash between a faction fond of a complete deregulation of the players' market and a more pragmatic faction. Player unions from small countries demanded complete deregulation (Giulianotti 1999). The pragmatic faction led by the English PFA was concerned about liberalisation's impact on economic stability (Dabscheck 2003). In the end, FIFPro could not agree on a common position, which resulted almost in a split among European player unions (*Frankfurter Allgemeine Zeitung*, 19-Feb-01).

Policy making output: Negotiation deadlock

After Member States and DG Comp had expanded the set of partisan VPs, a multiple VP constellation was created. Considerable preference heterogeneity resulted in negotiation deadlock because G-14's ideal point was identical with the policy *status*

quo; any policy change would have forced G-14 to accept policy losses. Therefore, the winset was empty and the policy *status quo* could not be defeated within that multiple VP constellation (cf. figure 2).

Figure 2. Spatial presentation of the player market issue under unanimity rule



Note: Own depiction, details on measurement of policy positions and outcomes in the appendix. Winset is empty (no grey areal marked).

Due to negotiation deadlock, neither FIFPro nor G-14 did directly participate in the final stages of the negotiations.³

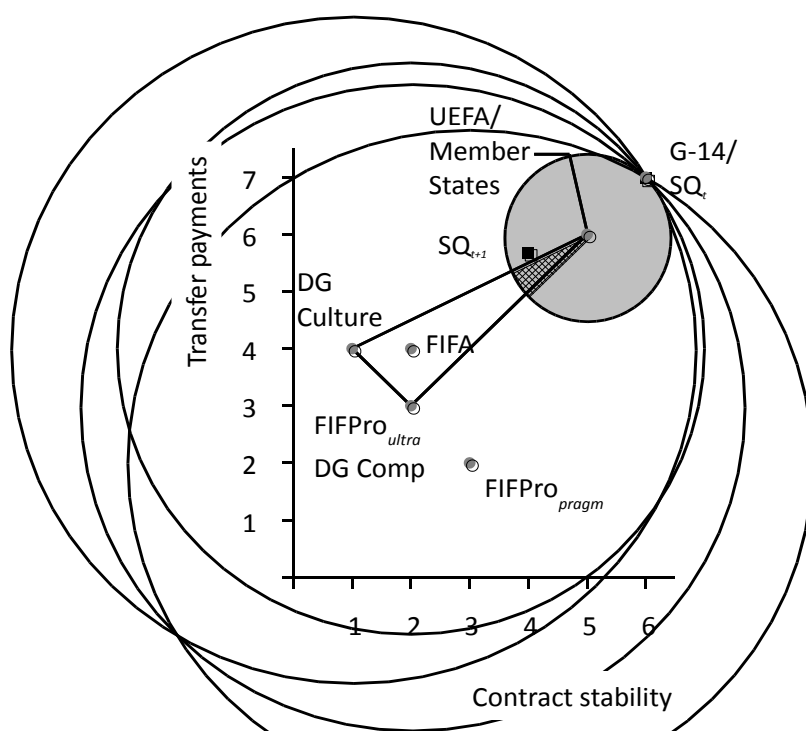
The lessons to be learned from the first phase of this case is that VP status indeed helps to prevent substantial policy losses to materialise but the price of a multiple VP configuration with narrow issue definition and preference heterogeneity is negotiation deadlock leaving underlying policy conflicts unsolved. This seems to benefit the sport bodies' aim of maintaining policy stability but preventing any policy change was not a

viable solution, for the Commission had issued a statement of objections and could resort to a formal decision. The policy momentum created by DG Comp made it impossible to defend the policy *status quo* since – as *Bosman* had clearly shown – conflicts about player market regulation might not just end up with a Commission decision, but they can be taken to the CJEU as an alternative venue. Therefore, in order to prevent dangerous venue shifting, the sport bodies had to amend the transfer system in a way conforming to EU law.

Massive politicisation of player market negotiations: Policy gains through preferred VP status

After negotiation deadlock by the end of 2000, the Member States politicised the procedures again and took active steps to facilitate a unanimous agreement between FIFA, UEFA and the Commission. The clubs (G-14) and the players (FIFPro) were left out of this final stage in the resolution of the case. As spatial analysis shows, the winset of the status quo was primarily determined by the (identical) indifference curves of UEFA and the Member States (cf. figure 3).

Figure 3. Spatial presentation of the player market issue after politicization



Note: Own depiction, details on measurement of policy positions and outcomes in the appendix. Relative preference attainment (*rpa*) as policy equilibrium moves from SQ_t to SQ_{t+1} : Member States = -.21; UEFA = -.21; DG Comp = -.43; FIFA = -.50; DG Culture = -.43; FIFPro_{ultra} = -.43; FIFPro_{pragm} = -.38. Measure cannot be calculated for G-14 since $d_{a_{SQ_t}}$ equals zero.

In addition to granting the sport bodies a preferred VP status, the Member States put pressure on the Commission to abstain from major policy shifts as envisioned in DG Comp's statement of objections. Finally, a deal was brokered by the Swedish rotating presidency in early 2001 (Staatsradsberedningen 2001).

In essence, the new agreement modified the player market by granting the players more freedom to select their employers (Drolet 2009), but it certainly did not go as far as a total liberalisation of the players market. The transfer agreement treats professional footballers as employees *sui generis*. Young players until age 23 are given traineeship contracts requiring the payment of standardised compensation fees by the new

employer. While contract terms have been restricted, premature breach of contract requires transfer payments, which have not been objectively specified. In case contracts are unilaterally terminated without transfer payments, players and clubs involved face sporting sanctions (European Commission 2001a, 2001b).

As preference attainment measures indicate, under preferred VP status FIFA and UEFA were able to realise policy gains even when they were confronted with a highly critical agenda of the Commission. For the sport bodies the lesson to be learned from the politicisation of the transfer system issue was that preferred VP status, which is comparable to the sport bodies' position before *Bosman*, is surely preferable to a simple extension of the set of VPs but that for gaining such status, it takes strong policy agreement with the Member States and their determined action. This, in turn, can be linked with the discussion above on EU sports policy and the particular case of regulation of sport agents. UEFA and FIFA would be advised to try to achieve preferred VP status through politicisation (e.g. having the Member States on their side). This might be perhaps easier at a general level, for example maintaining discussions on sports specificity and its social features on the agenda. But it is safe to affirm that it will be more complicated come specific pieces of legislation.

The support of the Member States would still be paramount for the governing bodies, because any legislative action will follow the general procedure (i.e. co-decision) where the Council has a say (now also in the area of sport). The same procedure involves the Parliament and the Commission as well. These are multiple policy actors that could grant VP status to any given football stakeholder. In the event of deadlock, our theoretical considerations and the case studies suggest that policy shifts are, at least, difficult. Yet, our case study also suggests that the extent to which UEFA, FIFA (or any

other stakeholder) can maintain the policy deadlock is finite. If there is a definite appetite for a policy change within the EU institutions (e.g. the case of agents), then the governing bodies will need to resort to, at least, a strategy of damage limitation and VP status through politicisation might not be enough.

Moreover, this case study demonstrates again that governing bodies always have a tough challenge when faced with stakeholders' most efficacious weapon, that is, the opportunity to initiate legal action.

Following the settlement between the Commission and FIFA in 2001, FIFPro was able to reap additional procedural concessions from FIFA. While DG Comp assured FIFA not to tackle the new transfer agreement, the Commissioners were quite aware that the risk of further legal proceedings represented an incentive for the football bodies to involve FIFPro in the administration and implementation of the agreement (Dimitrakopoulos, 2006). Since compatibility of the transfer compromise with national labour law was highly questionable, FIFPro initiated legal proceedings against the new FIFA transfer system. For that reason, FIFA offered FIFPro participation in the implementation of the agreement and in future revisions of the transfer agreement. Therefore, FIFPro withdrew its complaint. After the settlement, the Commission finally closed the procedure against FIFA's transfer regime and signalled that the Commission would prefer when player market issues could be dealt within a social dialogue (IP/02/824). Thus, a final lesson derived from the transfer negotiations is that not only policy deadlock in a particular political venue but also an exclusion of VPs can provoke switching to a less preferable venue.

In terms of learning for current policy making, the whole investigation of FIFA transfer system can be directly link to current developments. Football clubs and players

established a Social Dialogue Committee in the sector of professional football in 2008 (see Parrish 2011, European Commission 2008). Since 2002, the Commission had been keen to promote a social dialogue within professional football. In theoretical terms, the social dialogue represents currently the most interesting case for studying the impact of institutional parameters on sport policy outcomes. As Parrish (2011) argues, the social dialogue has the potential to grant the social partners, that is, leagues and clubs (as employers) and player (as employees), a superior status to football's governing bodies by offering the opportunity to regulate football on the base of collective bargaining agreements. UEFA has been aware of the possible threat to its role in football governance and in the EU policy making community. Thus, it has opposed a social dialogue taking place outside its own internal committee structure. UEFA, as a governing body, does not qualify as a participant of the social dialogue (Parrish & Miettinen 2008, p.48-49), for it is neither employer nor employee, therefore it could be left outside the social dialogue committee, which would of course represent a major loss for the governing body (Parrish 2011). However, UEFA managed to become accepted as associate partner of the committee (European Commission 2008). Moreover, UEFA pressed for a rule of procedure under which issues have to be first submitted to UEFA's Professional Football Strategy Council before referred to the social dialogue committee (cf. Parrish 2011, p. 223). Thus, UEFA was successful in two ways. First, it moved the negotiations (and to a certain extent policy-making) away from the EU venue (social dialogue committee). Second, to create a multiple VP constellation with UEFA in a gatekeeper position. As VP theory would expect, this multiple VP constellation has so far not produced much policy change. Indeed, FIFPro vice-chairman Philippe Piat has recently voiced his discontent on the social dialogue: 'Today the situation is deadlocked, there is a lack of political will and we do not expect much more' (quoted in

Sport & Citizenship 2011, p.20). However, VP theory also predicts that lasting policy deadlock might inspire frustrated actors to change venues. Accordingly, Parrish (2001, p. 229) reminded UEFA that the social partners “remain free to amend the committee’s rule of procedure in order to marginalise both the Professional Strategy Council and UEFA as committee chair”. It has to be seen whether UEFA will frustrate the social partners and the latter take a stronger say in sectoral governance. If so, it would support our main conclusion that insisting on VP status is no longer a viable option for sport governing bodies.

Discussion and conclusion

We have examined the impact of different institutional status for sport’s governing bodies on output of EU policy making. Our empirical results are in line with our theoretical expectations. At first we confirmed common wisdom that without special status in EU policy making, the sport bodies face the risk of suffering major policy shifts detrimental to their position within sport governance. Moreover, such unfavourable policy shifts are in particular likely when the political agenda is narrowly defined by policy entrepreneurs irresponsive to sport’s concern and when the Member States cannot be convinced to act as the sport bodies’ strong ally.

Therefore, veto power in EU policy making processes can prevent sport bodies to experience substantial policy losses. Yet, if such veto power is granted to a number of stakeholders in sport, a multiple VP constellation is created that is likely to result in negotiation deadlock leaving the policy problems unsolved. In the EU’s multi arena political system, such policy deadlock is likely to inspire venue shifting creating new risks for the sport bodies. Thus, sport’s governing bodies would gain most from being granted preferred VP status as sole legitimate representative of sport’s matters. Whereas

such status would enable the sport bodies to influence EU policy making according to their preferences, it takes very strong policy agreement with the Member States and their determined action to gain such an exceptional position.

Drawing on our study, it is possible to extract some conclusions for the context of the new emerging EU sport policy. Sport bodies, that have not been granted their coveted legal exemption, will therefore be advised to try to obtain a role as similar as possible to that of a veto player in the policy-making process. Initially, sport governing bodies have hoped that the article's references to 'cooperation between bodies responsible for sport', the 'specific nature of sport' or cooperation with 'international organisations in the field of education and sport' would give them a strong say in EU sport policy, but careful legal and political analysis suggests that the provisions of Article 165 do not amount to an obligation of involving sport bodies in policy-making (Parrish *et al.* 2010: 54-56). Article 165 strengthens the case for vigorous consultation with the sporting movement, as the Commission, Parliament and Council usually do, but this role would fall short of our definition of a veto player unless one of the institutions politicises the agenda in line with that of the sporting bodies. This is clearly demonstrated in the proposal of the Spanish rotating presidency (1st semester 2010) to establish a structured dialogue between the Sports Ministers meeting in the Council and the sporting movement. The proposal, introduced in the 2010 European Sport Forum in Madrid, aimed at institutionalizing high level strategic dialogue (on a consultative basis) between the ministers and sport organisations. Governing bodies such as the International Olympic Committee or UEFA recognised the opportunity and quickly made their case to be a driving force of that structured dialogue (author's notes from the EU Sport Forum 2010). However, the requests of other stakeholders, as well as the warnings of the Commission, have persuaded the Council to open the structured dialogue to wide

representation of sport organisations. Under Belgian presidency in the second semester of 2010 the sport ministers agreed to implement the so-called structured dialogue, but they left it open to a wide constituency of sport interests (Council of the European Union 2010). At the time of writing it seems fair to affirm that it will be extremely difficult for sport governing bodies or stakeholders to achieve an status similar to a partisan VP through the structured dialogue. Indeed, the initiative is paralised at the time of writing due to the incapacity of the *sporting movement* to designate representatives to attend the meetings. With several organizations accepted to take part in the structured dialogue (not just governing bodies), there is a high risk that this initiative leads to policy deadlock, as pointed out by our VP theoretical considerations. And this what has happened so far. In any case let's also remind that such a 'structured dialogue' is not part of the formal legislative process. Therefore its impact on policy making will depend of the political game, rather of the institutional structure.

It is clear that, at least for the near future, the sport governing bodies will be better advised to continue and intensify their efforts for inclusive and cooperative stakeholder management in the internal governance of football. Whilst they might have a say in EU sports policy making, the institutional setting do not favour their position as veto players. This applies also to the social dialogue as an emerging or at least potential venue for governing professional football. The *de facto* veto position UEFA managed to occupy in the social dialogue might not represent a stable solution. If UEFA frustrates other football stakeholders, UEFA risks to get marginalised. On the one side, inclusive stakeholder consultation can serve to prevent conflicts from escalating and reaching the EU level. On the other side, increasing the capacity for stakeholder management and visible stakeholder participation is likely to increase the sport bodies' perceived

legitimacy in EU policy making. In sum, since a sport exemption is unlikely to achieve, there is no political alternative to the strategic turn UEFA has recently undertaken.

¹ According to *Coditel II*, the anticompetitive character of exclusive contracts was dependent on the specific constellation under consideration (ECJ, Case 262/81, *Coditel II* [1982] ECR 3381).

² As stated in the European Sports Forum, Budapest 22 February 2011, by Ivo Belet MEP and Santiago Fisas Aixela MEP, the latter being the *rapporteur* of the Parliament's resolution on the Commission communication *Developing a European Dimension of Sport* (author's notes of the Forum presentations).

³ As spatial analysis reveals, such a walk-out was less detrimental for FIFPro than for G-14 since both FIFPro factions could only gain by a policy shift towards DG Comp's ideal point.

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Appendix:
Measurement details
Collective selling

First dimension: Exclusivity of rights

Additive index, ranging from

1 = No exclusivity, to

5 = total exclusivity, where

‘1’ is added each time for

- + Temporary exclusivity
- + Territorial exclusivity
- + Multiplatform exclusivity (right to non-use rights)
- + Long-term contracts

Second dimension: Competition among sellers

Additive index, ranging from

1 = Complete collective selling, to

7 = Complete decentralised selling, where

‘1’ is added each time for

- + Secondary decentralised exploitation of certain rights
- + Fall-back rules for unused rights
- + Decentralised selling of minor broadcasting rights
- + Decentralised selling of major broadcasting rights
- + Decentralised minor marketing of sponsoring rights
- + Decentralised major marketing of sponsoring rights

Table A.1. Measurement of policy positions and policy outcomes in the collective selling case

	Supply side competition		Exclusivity	
	Revealed actors' preferences	Score	Revealed actors' preferences	Score
<i>Actors</i>				
UEFA	Complete collective selling (UEFA, 1998)	1	Total exclusivity of rights (UEFA, 1998)	5
DG Comp	Certain degree of collective selling deemed necessary for efficient marketing of international tournaments, fear of anticompetitive effects in case of completely decentralised selling (MEMO/01/271)	6	No acknowledgement of exclusivity of rights, strong revealed preference for substantial decrease in reduction of exclusivity (MEMO/01/271)	1
Member States	Preference for the maintenance of the institutional <i>status quo</i> of football governance, implying only incremental increase in side competition (Nice Declaration 2000) Preference for removing barriers for multi-platform content (SN 100/1/02 REV 1, COM(2002) 263 final) implying incremental increase in supply side competition (+1)	2	Removing barriers for multi-platform content (SN 100/1/02 REV 1, COM(2002) 263 final) implying at least reduction of multiplatform exclusivity (+1) and long-term contracts (+1)	3
G-14	Substantial increase of supply competition: secondary exploitation of rights (+1), decentralised selling of new media rights (+1), stronger say in marketing of CL sponsoring (+1) (cf. Wulzinger, 2001)	4	Partial reduction of exclusivity of rights: no multiplatform exclusivity (+1) and no territorial exclusivity (+1)	3
<i>Policy outcomes</i>				
SQ_t	No supply side competition	1	Total exclusivity of rights	5
SQ_{t+1}	Secondary exploitation of rights by clubs (+1), decentralised selling of minor rights (+1), fall-back stipulations for unused rights (+1) (OJ, 17-Aug-02, C 196)	4	Abolishment of multiplatform exclusivity (-1), abolishment of territorial exclusivity (-1), abolishment of long-term contracts (-1) (OJ, 17-Aug-02, C 196)	2

Player market regulation

First dimension: Contract stability

Additive index, ranging from

1 = Unrestricted free agency (short term contracts, unqualified unilateral right of contract termination), to

6 = post *Bosman* system (long-term contracts, no unilateral right of contract termination), where

‘1’ is added each time for

- + training contracts (fixed term-contracts without unilateral right of contract termination)
- + medium range contracts (3 years)
- + long-term contracts (5 years)
- + qualified unilateral right of contract termination (just sporting clauses or just reasons clauses)
- + Sporting sanctions in case of unilateral contract termination

Second dimension: Transfer payments

Additive scale, ranging from

1 = No compensation payments, to

7 = post *Bosman* system (unspecified, discretionary transfer payments), where

‘1’ is added each time for

- + individualised training fees (to be calculated on base of individual cost for training efforts)
- + standardised training fees (to be calculated on base of average cost for training efforts)
- + solidarity payments (to be paid at every transfer of a player)
- + objectively defined transfer payments for premature contract termination
- + contractually specified transfer payments for premature contract termination
- + discretionary transfer payments

Table A.2. Measurement of policy positions of actors involved in the collective selling issue

	Contract stability		Transfer payments	
	Revealed actors' preferences	Score	Revealed actors' preferences	Score
<i>Actors</i>				
UEFA	Restriction to medium terms as only concession in terms of changing SQ_t (FIFA, 2000) (-1)	5	Originally no concessions concerning transfer payments, interpreted as support of maintaining SQ_t , yet insistence on training contracts implies standardised training fees (FIFA, 2000) (-1)	6
FIFA	Fixed term training contracts (+1) as revealed by several offers to FIFPro	2	Standardised training fees (+2) Solidarity mechanisms for paying training fees (+1)	3
DG Comp	Originally little concern about contract stability, support of short term contracts and unilateral right of contract termination but vision of a 'buy-out-right' (cf.IP/99/133) (+1)	2	Individualised training fees (+1) Objectively specified compensation payments for unilateral contract termination (+1) (Frankfurter Allgemeine Zeitung 12-Dec-00)	3
DG Culture	No revealed position on contract stability	1	Revealed support for training efforts and solidarity mechanisms, interpreted as support of FIFA's position on training compensation, therefore FIFA's score assigned	4
Member States	No clear position revealed but strong support for UEFA's position, therefore UEFA's score assigned	5	No clear position revealed but strong support for UEFA's position, therefore UEFA's score assigned	6
G-14	Strong preference for maintaining SQ_t , therefore SQ_t assigned	6	Strong preference for maintaining SQ_t , therefore SQ_t assigned	7
FIFPro _{ultra}	Fixed term training contracts as only concession as revealed by several offers to FIFA (FIFA News 09/00; Dabscheck, 2003) (+1)	2	Signal to support standardised training fees (+2) (FIFA News 09/00)	3
FIFPro _{pragm}	No unilateral right of contract termination (+1) Medium term contracts (+1) (Meier, 2005)	3	Contractually specified transfer payments for premature contract termination (+1) (Meier, 2005)	2

Table A.2. Measurement of policy positions of actors involved in the collective selling issue (continued)

	Contract stability		Transfer payments	
	Revealed actors' preferences	Score	Revealed actors' preferences	Score
<i>Policy outcomes</i>				
SQ_t	Long-term contracts, no unilateral right of contract termination	6	unspecified, discretionary transfer payments	7
SQ_{t+1}	Restriction of contract terms to medium terms (standardised contract duration between one and five years, Right to unilateral breach contract after three years (under age 28) and after two years (age28+)) (-1) Qualified right of contract termination (-1)	4	Standardised training costs for lower division players including costs for players not reaching the professional level, real costs for first division players (Artt. 13 to 20 TR) (-1) Solidarity mechanism requiring to allocate 5% of further transfer payments to clubs that trained the player (Chap. IX TR) Training compensations to be paid at every club change before player reaches age 23 (Art. 15 and 16 TR) Discretionary transfer fees for player older than 23 but recommendations for mechanisms defining transfer fee ceilings (-0.5)	5,5

Note: Account of policy outcomes is based on: Meier, 2005, Drolet, 2009, Branco Martins, 2009).