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An analytical framework for a political economy of football

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A political economy of football has become more essential as the game has been colonised by elements of the business class. There is a tension between its profit maximising understanding of football and a more community oriented, democratic vision that seeks to pursue government policy goals. The insights of economics and politics are both necessary to understand the political economy of football, but they should not be hybridised. Economics allows us to understand the distinctive characteristics of the football market while politics permits an analysis both of the politics of cooption and engagement and the politics of resistance. Four variables are identified that represent a political science contribution to the analysis of football and its relationship with government.

Keywords: political economy; football; state; regulation; business; consumer;

depoliticisation

An analytical framework for a political economy of football

The argument made in this article is that a political economy of football is both necessary and possible. Football has become more important economically and politically in Britain as it has assumed many of the characteristics of other big businesses, driven in part by its association with global media corporations. The colonisation of football by elements of the business class has, however, produced tensions with those who see it as a community oriented, democratic activity that can achieve government policy goals such as social inclusion. A political economy framework can help us to understand the conflicting pressures that football faces: as a business, particularly from the viewpoint of media companies; as a leisure activity and source of identity for fans; and as means of promoting social policy objectives such as healthier lifestyles and social inclusion. Whilst a framework of this kind cannot resolve unavoidable conflicts of values, it can facilitate a better understanding of the respective roles of the state and the market in football and hence inform policy choices. The principal focus of this article is on the English Premiership because this is where the greatest controversies about the intersection between business, politics and sport arise, but much of the analysis applies to football at all levels where players are paid on a full-time basis.

The construction of an analytical framework for a political economy of football is a difficult and problematic exercise. In part, this has to do with issues about the nature of political economy as an intellectual enterprise, but it also arises from particular features of football as a sport, business and source of identity. Hence, bringing the two together

is a journey full of pitfalls. Nevertheless, we need to work towards an analytical framework that situates football in its economic and political context.

This article is about a political economy of football rather than a political economy of sport and the relationship between the two is left unexplored here. Should a political economy of football be a subset of a more general political economy of sport?

Constructing a political economy of sport would be an even more ambitious effort and would require knowledge about a range of sports that the writer does not possess. There is case, however, for looking at football on its own. 'Association football ... is without question the world's most popular sport ... Some estimates value soccer-related business at over £250 billion in the year 2003.' (Guilianotti, 2005, 19).

This article does not deal systematically with questions of identity in relation to football, except in so far as they are necessary to an understanding of the economic dynamics of the sport. This is not to deny the importance of such cultural understandings of football or of the more general contribution made by the sociology of sport. (Sugden and Tomlinson, 2002). Indeed, Conn (2005) argues 'As other collective institutions disappear, football clubs are becoming an increasingly central part of people's identity.' These considerations are important, but to explore them systematically would be to overload the article which confines its ambitions to the insights offered by two disciplines, economics and political science. The economic analysis of football has been well developed and 'Papers on the economics of sport now appear regularly in many of the leading economics journals'. (Dobson and Goddard, 2001, 19). Political science analysis of football is less well developed than that available in either economics or

sociology and can draw on contemporary debates such as those relating to policy communities, depoliticisation and the regulatory state.

This article identifies with those analysts such as Phillips who want to revert to a more classical understanding of political economy and remove the ‘I’ from international political economy and the ‘C’ from comparative political economy. Thus, ‘the attachment of the “C” and the “I” to a term that already *by definition* encompasses both of these is, in the first place, unnecessary and, in the second, counterproductive in that it has occasioned an unhelpful disciplinary fragmentation and a range of unhappy consequences for the theoretical and empirical study of contemporary political economy.’ (Phillips, 2004, 265). Football is an activity that is organised at an international, regional, national (and, of course, local) level. It therefore needs the insights about globalisation and its effects generated within the international political economy paradigm, but also the sensitivity to national differences arising from debates about varieties of capitalism, as well as an understanding of the increasing significance of regional actors, particularly the European Union (EU). ‘A dominant theme’ that emerges from one analysis of the political economy of sport ‘is the accelerated expansion of transnational capitalism and its extension into the sport/cultural realm.’ (Schimmel, 2005, 3). However, the expansion of capitalist values into football has met with a politics of resistance, not least from community based movements mobilising to defend their club. Such movements have been able to draw on fans’ identification with their club which is all the stronger for the fact that it in terms of geography it is often sentimental and constructed. Whether such movements are effective is an issue that is returned to later.

It is also worth noting that the world of football constitutes a clearly defined policy community with clear boundaries, underpinned by its own rituals and technical expertise, with a high political entry price. Measured against the advance of the regulatory state (Moran, 2005), it has continued to enjoy considerable autonomy in its governance arrangements, despite a series of evident failures. 'Historically, sport in Britain was a quintessential example of an activity regulated autonomously in the sphere of civil society. In recent decades, its economic significance has grown greatly and at the same time it has been drawn ever closer into the state's sphere of influence.' (Moran, 2005, 73). Nevertheless, government has, however, been largely content to let the Football Association (FA) put its own house in order, as is evidenced by the failure of plans for an independent regulator. (Bower, 2003). This is all the more remarkable when one considers that football generally lacks sophistication when it comes to political questions. Many clubs were slow to appreciate just what the EU could do with its competition policy powers and it was really the giant clubs that were able to appreciate the seriousness of the situation and respond accordingly. In other words, a 'company state' model prevailed over the 'associative state' model represented by Uefa. Many clubs, however, continue to resent the intervention of the EU through the application of general competition laws to their special sector. As one Premiership chairman put it:

The European Commission continues to involve itself in the affairs of the FA Premier League in a very public and high profile manner. It cannot be right that the Commission should seek to challenge our right to enter into genuine commercial agreements for the sale of our broadcast rights because they do not like the outcome. We must use every means at our disposal to protect the game in this country from

such outside interference. (Murray, 2005, 5).

As far as the European Commission is concerned, football as a multi-billion euro business activity cannot be exempted from the competition rules designed to deal with abuses of economic power through monopolies and cartels, although the deal reached on the FA Premier League's television rights, after much talk of a crackdown, represents a very good outcome for the Premiership.

In summary, we have what has been a highly insulated sector of economy and society being buffeted by forces that it does not always fully comprehend, let alone be able to effectively control. The lack of sophistication means that although politics undoubtedly matters in football, it matters in a particular way. The political is perceived as a largely malign force external to a policy community that should be allowed to regulate its own affairs. This makes exogenously driven political change quite difficult. It also means that the discourse of depoliticisation that has been applied so effectively to the understanding of much of contemporary economic policy cannot be deployed so readily in the case of football. In a sense, it has to be politicised before it can depoliticised.

The integration of economic and political analysis

This article aspires to start to move towards 'a political economy that privileges neither politicisation nor economism'. (Phillips, 2005a, 251). Contrary to the liberal view that one has to make a separation between state and market and their study, it is contended that 'politics and economics are intrinsically inseparable, and that this inseparability must be represented in the primary theoretical and methodological approaches to the study of IPE.' (Phillips, 2005a, 250). The challenge is then to decide what constitutes 'an appropriate integration of ... politics and economics'. (Phillips, 2005a, 250). Such an

attempt at integration does not, however, need to entail: ‘a hybridization of the two subjects which would inevitably mean that the economics strain would be dominant.’ (Grant, 1982, 3). A multi-disciplinary approach has to precede an interdisciplinary one. By combining the insights of the two disciplines, one can better understand the specific problem and also facilitate a dialogue between them.

Hence, this analysis does proceed through a separate examination of economic and political forces and is therefore open to the criticism that by looking at political reactions to economic forces, it is privileging the economic over the political. It is argued that we do not yet have an adequate analytical framework that allows us to combine economic and political insights in a way that respects the contribution of each discipline. It also has to be recognised that economic forces represented by big business are strong and that the role of politics is to contain and regulate them, even given that there are limits to state action. (Burnham, 2006).

The contribution and limits of economics

Two polar views need to be rejected if we are to proceed successfully. One is the view taken by some economists that there is an economic explanation of everything:

Morality, it could be argued, represents the way that people would like the world to work – whereas economics represents how it actually does work. ...

[Economics] comprises an extraordinarily powerful and flexible set of tools that can reliably assess a thicket of information to determine the effect of any one factor, or even the whole effect. (Levitt and Dubner, 2005, 13).

Economic explanations do have wide applications and the fact that rationality is bounded does not necessarily undermine them. The unease expressed here is a normative rather

than an analytical one. Making economic explanations predominate can encourage a process of commodification and it could be argued that sport should be added to Polanyi's list of land, labour and money as entities that should not be treated as commodities. (Polanyi, 1957, 72-3). The methodological individualism of economics can lead to an understatement of the value of collective structures in a society that bind it together, its social capital, with sports clubs being one specific example. 'Economic liberalism is in this sense a victim of its own propaganda: offered to all, it has evoked pressures and demands that cannot be contained.' (Hirsch, 1977, 70).

One therefore needs to be aware of the limits of economics and the dangers of its seductive embrace. However, one also needs to reject the opposite view, represented for example by Susan Strange, which amounts to 'always attack the economists'. Strange had a number of objections to economists and to liberal economists in particular, issuing a clarion call to students of international political economy to throw off 'the intellectual bondage of liberal economics'. (Strange, 2002a, 47). One of her central objections, not an unfamiliar charge to be levelled against economists, was:

[M]ost economists tacitly share certain fundamental assumptions about the rationality of buyers and sellers in the marketplace, or about the easy availability of information regarding supply and demand that happen to be convenient for economic argument but which do not always accord with everyday experience. (Strange, 2002b, 121).

Information asymmetries are in fact a central feature of discussions of market failure in economics, but her more central objection appears to be that economists engage in model building. In other words, they make simplifying assumptions that allow them to generate

robust models that have explanatory and/or predictive value, even if they are an approximate fit to the whole range of experience.

Perhaps her real objection is ‘the study of economics is led and dominated by the United States’ (Strange, 2002c,190), although the same observation could be made of political science and international relations, not that it prevents the development of distinctive British theoretical and empirical perspectives. There is, however, perhaps something in her observation that economics exhibits ‘a certain political naiveté in its conclusions.’ (Strange, 2002c, 190). Economics tends to regard the choice of policy instruments as a second order question, whereas for a student of public policy they are of central importance and linked to broader theoretical debates such as that about the regulatory state.

The broad position adopted here is that economic explanations can take us so far and indeed cannot be avoided. However, whilst they are necessary, they are never sufficient. Other forms of explanation are needed, but not simply as supplements to compensate for any deficiencies in the main analytical dish. The approach adopted is first to take some central economic concepts and apply them to the case of football. One of the findings to emerge is that football as a ‘market’ has some very distinctive characteristics. The limitations of an economic analysis are illustrated through a discussion of whether fans should be designated as ‘customers’ or supporters. Having seen how far economic analysis can take us, particularly in terms of bringing out the distinctiveness of football, we then consider how a political analysis can be brought into the discussion.

Before proceeding to an economic analysis of football, let us briefly consider in stylised terms the ways in which it has changed as an economic sector in recent years.

In the 1990s the nature of football as an enterprise changed with clubs becoming more like other businesses in the way that they were run. A number of leading clubs such as Aston Villa, Manchester United and Tottenham Hotspur were floated on stock exchanges, often realising considerable profits for the existing shareholders. As Carter summarises the position (2006, 123):

By the late 1990s, it had become a cliché to say that football had become a business, but it was true nonetheless. With little regulation, the game was almost an exemplary model of capitalism, and at the top of football's pyramid, a 'consolidation' process emerged with a small number of clubs dominating the market.

Although not attracting the attendances of baseball, American football, or basketball, football (or soccer) was successfully introduced into the key US market. Revenue streams in Europe increased considerably as television revenues grew rapidly with the advent of satellite and cable television, higher ticket prices, more effective marketing of merchandise and more lucrative corporate sponsorship. Football's profitability became interlocked with that of the media industry and associated with this was a closer intersection between football and the cult of celebrity. Clubs like Manchester United developed into global brands. The fan, however, had to pay more to watch the game and more to wear the official choice of team shirt. Fans were able to buy shares in their own clubs, but these gave only the illusion of ownership as Manchester United fans found when their shareholdings were unable to halt the takeover of the club by the Glazer family.

An economic analysis of football

A common proposition about football is that it is a very unusual market because of the intense loyalty of customers to a particular brand. Because of their loyalty to their club, fans are open to exploitation, indeed among fans that is almost a shared definition of what they are. They have to put up with very high prices, club merchandise with high price marks ups, inconvenient kick off times and indifferent and over priced food sold in stadiums because the option of exit is not a feasible one. The disgruntled fan has a number of options available: stop attending at all; start supporting another club; or watch another sport. Loyalty is an obstacle to the second option and, in any case, other clubs may charge just as much. If one starts watching a non-league club, the standard of play and facilities will be inferior. Switching to another sport is an unlikely option. To put it in technical language, both for other teams and other sports, the cross-price elasticity of demand is 'near zero.' (Sandy, Sloan and Rosentraub, 2004, 7).

The simple exit option is the most likely, but is often taken for reasons such as changes in family or working circumstances. It also has to be remembered that going to a football match is as much a social event as a sporting experience. Season ticket holders can enjoy the company of the same group of people year after year, and even if they don't like some of them very much, that can be part of the experience. The judgements of the 'Bloke Behind Me' can be a source of enjoyment because they are humorous, whether intentionally or because they are so ridiculous. Visiting the pub before and after the game also serves as a social focus for renewing and making friendships. For many fans, attending the match is a way of keeping in contact with old friends or a cherished set of locations (including, of course, the ground itself) they would

not otherwise visit. Sentiment and habit can be powerful forces in maintaining patterns of behaviour.

It might then seem that partisanship and brand loyalty makes football a very special market. However, a note of caution is necessary. The price elasticity of demand for tickets is actually quite difficult to calculate. In practice, however, ticket prices are increasingly varied (although in general not as much as they should be) to take account of differential demand for different games. Clubs should perhaps take more account of the benefits derived from ancillary sales in setting prices and also the contribution that fans make to the atmosphere of a televised game. What is striking is that English football supporters can pay four times as much as their counterparts in other top leagues to watch matches. Even taking the cheapest season ticket, it can cost over three times as much to watch football at Arsenal or Chelsea as the most expensive club elsewhere (Barcelona). (www.footballeconomy.com, 26 August 2004).

More generally, it is possible to over estimate both the unlikelihood of the exit option and the partisan loyalty of fans. It should be recalled that 'between the late 1940s and the late 1980s, football lost over half its spectators.' (Szymanski and Kuypers, 2000, 46). The missing fans were replaced by a more family oriented fan base as the hooliganism problem, at least in grounds, was tackled by new technology and stadiums were modernised and made more comfortable. However, these new fans may be more fickle and there is anecdotal evidence that the fan base is ageing at the older clubs because of pricing policies. (Conn, 2004, 11). Perhaps too readily and understandably the image of the fan is often constructed around a single male who is obsessive about his football club and whose whole life is built around it. There is a greater danger of reifying the male

long-standing supporter who is then presented as the noble fan. Football supporters are actually a more diverse group.

Fans can be more fickle than is sometime assumed. Fans like to assert that they have always followed one club through thick and thin and may develop a familiarity with famous events in the club's history so that they can claim that they were there at those vital moments. It should be noted that 'beyond the hard core there are many supporters who are willing to switch allegiance towards more successful teams.' (Szymanski and Kuypers, 2000, 190). Relatively stable aggregate attendance figures conceal a great deal of churn in their actual composition and the new fans could be expected to be less loyal than those who have been fans for many years (indeed, they may be stigmatised as 'glory hunters' by more established fans). Football and partisanship may seem to be inseparable, but there are those who are interested in technical exhibitions of skill. Nevertheless, brand loyalty is exceptionally high in football, particularly compared to other product markets, and this does constrain the use of the exit option and create a relatively inelastic pattern of demand. However, one must be careful of overstating this effect, particularly against a background of growing fan dissatisfaction with high player wages and the prices they are required to pay for enjoying football in England

It has been argued that in Europe 'there are too many clubs given the overall population.' (Sandy, Sloan and Rosentraub, 2004, 22-23). In terms of revenue generation, this problem is compounded by the fact that teams are not granted exclusive territorial franchises on the American model that create a local monopoly, so there may be a large number of clubs in a single metropolitan area, e.g., Manchester and the surrounding towns). An entrepreneur wishing to establish a new club without proximate

competition is going to have a limited choice of locations. The only populated area of any size in England where there are no clubs is Cornwall, which has a strong rugby tradition (fans in eastern Cornwall can support Plymouth).

Why, then, do so few league clubs go out of business? The relatively few examples are ingrained on the collective consciousness of fans: Accrington Stanley, Maidstone United, Newport County, Third Lanark etc. and three of the examples cited have reformed, albeit at lower levels of competition. The last club to exit the Football League was Aldershot in 1992. A third of all Football League teams have gone into administration since 2000 'but not one of these clubs has been wound-up and ceased operating.' (Emery and Weed, 2006, 5). Every so often a club is reported to be on the brink of closure, the latest example being Rotherham, but usually someone is found to stage a rescue package. The more general point here is that the assumption of profit maximisation is not necessarily a reasonable one for football clubs. Indeed, 'it may be sensible to view the objective of the football club as one of utility maximisation subject to a financial solvency constraint.' (Dobson and Goddard, 2001, 8). This does not, however, apply to the media organisations that are increasingly shaping the game at the higher levels.

Because the existence of the club is so important to the identity of many fans, they will dig deep in their pockets to keep the club going, with fans living abroad who have not been near the club for years among the most generous donors. Even people who are not fans of the club may be persuaded to donate. Moreover, administration is a useful reorganising device with the St. John's Ambulance and local businesses invariably not getting their outstanding bills paid. Once the club is in administration, a wealthy

business person may arrive on the scene to acquire it at a knock down price, although not necessarily as a good business proposition (which it often is not unless there is unrealised property value). Indeed, 'the owners of clubs are frequently wealthy fans who may treat their team not as a business but rather as a consumption activity from which they derive utility.' (Sandy, Sloan and Rosentraub, 2004, 11).

Paradoxically, in conventional markets, 'it is often the more efficient firms [that] exit, leaving the less efficient firms behind.' (Grant, 1989, 25). It is a phenomenon, for example, which has been observed recently among dairy farmers. Larger scale, more efficient farmers are more willing and more able to exploit alternative uses for their capital assets, whilst satisficers are willing to continue to get by on suboptimal profits because they cannot think of, or are unwilling to pursue, alternatives. The resistance to exit in football markets may not necessarily be undesirable. There is a clear clash between a market rationale which may suggest that there should be fewer teams which would, in principle, lead to a higher revenue stream for those remaining and the view generally held by fans that all clubs in existence should be allowed to survive. Mergers are a conventional reorganisation device in most markets, but are relatively rare in football. Inverness Caledonian Thistle, which brought together the town's Thistle and Caledonian clubs, is the only recent successful example. One problem is that most mergers are in fact 'takeovers' where either the identity of one company is subsumed in another or where distinct brand identities are preserved after the merger, an option not feasible in football given strict rules on dual ownership and 'nursery clubs' (although there might be a case for relaxing the latter to help struggling lower division teams). Even the apparently more innocuous option of ground sharing can attract strong fan

objections because of the extent to which their identity is bound up with the stadium. Thus, as far as the number of enterprises in the football market is concerned, or even the facilities they use, community oriented values win out over the logic of the market.

Football, like other sports, 'differs from other businesses because it requires joint production.' (Sandy, Sloane and Rosentraub, 2004, 157). Teams need other teams to compete against and a league offers a more structured and interesting format for such competition which is why they were formed in the first place. However, a league can be constituted in a number of different ways, size and hence frequency of matches between its members being one variable, while relegation and promotion rules are another. Above all, a key issue is whether the league is structured in such a way as to promote uncertainty of outcome, both in particular matches and across the season as a whole. There are a number of devices for making leagues more competitive ranging from sharing attendance money with away teams to player drafts. The rationale for seeking to enhance unpredictability is to maximise entertainment value for the fans.

'The most significant issue that now confronts all leagues in North America and the UK is competitive balance.' (Sandy, Sloan and Rosentraub, 2004, 177). Owners have an interest in winning as many games as possible so maximise revenue, given that success attracts crowds and television revenue. Hence, 'The real issue may well be the inherent conflict between owners' self-interest and a league's self-interest.' (ibid., 181). The Premiership was formed by top clubs because they wanted a bigger slice of the available revenue, particularly television revenue which they wanted and were able to increase. They also wanted a bigger say in how the game was run. They succeeded in these objectives, but at the price of creating a league which can effectively only be won a

very limited number of clubs. However, 'there is no empirical evidence to suggest that leagues are far worse off when one or two clubs dominate.' (ibid., p. 183). Mid or lower table clubs still get bumper attendances when they play one of the top clubs, even though the outcome is relatively predictable. It is in this area of league structure that business values have most clearly won out, with an increasing role for foreign investors even in less glamorous clubs. Market forces and big business interests have clearly prevailed, although some fans have taken the exit with voice option, e.g., the formation of FC United by dissident Manchester United supporters.

What is evident from this discussion is that football is a very special sector of the economy to which some of the rules of the market do not apply in a usual way. Brand loyalty is strong, although sometimes overstated, and demand is usually highly inelastic (particularly for season tickets), creating an environment in which football supporters are open to exploitation with substantial transfers of funds taking place to players and their agents and occasionally owners. The football market is, however, highly stable in terms of participants with exit (and entry) occurring rarely so that fans are usually able to continue to follow their chosen club, although the transformation of Wimbledon into Milton Keynes Dons opens the possibility of clubs being treated as franchises. The balance of power between top clubs and the league has, however, shifted in a context in which football has become vitally important for building and retaining television audiences. It is in this respect that the predominance of the logic of the market is most evident.

The politics of product and consumption

Just as, following Hirschman (1970), 'exit' and 'voice' may be used as metaphors for economics and politics respectively, football fans can alternatively be constructed as 'consumers' (a more liberal economics perspective) or 'supporters' (a more community oriented political perspective). Conceptually, the role of the fan as consumer could be seen as a link between economic and political accounts. Because exit is a difficult psychological choice for a fan, Horton (1997, 111) sees the language of the customer or consumer as inappropriate, arguing 'Customers make choices, supporters do not.' The very idea of being a supporter may be in jeopardy if the fan defines himself or herself as a consumer so that football becomes 'a financial transaction between a seller and a buyer.' (Horton, 1997, 112). The best service is then given to the person who pays the most, and even that person is in a relatively weak position compared to institutional shareholders and sponsors. Horton argues (1997, 113), 'We should talk the language of the entitlement, not of the customer.'

The perception of many supporters is that 'There is a distance between football and its supporters which is ... getting wider ... Football has marginalised the supporters.' (Horton, 1997, 183). Some fans, however, see the way forward in being treated as a customer rather than a supporter, as the following extracts from a discussion on a football E mail list demonstrate. Two supporters take the liberal view that the market itself was empowering:

What's wrong with being treated like a customer? Customers get asked their wants and needs and companies do their damndest to give them what they really want at a fair price, for fear they stop buying. That's what we want, isn't it?

Another contributor argued that the problem over the years is that customers had been treated as supporters which had been seen as a category of subordination:

A business generally can't be successful unless it has delivered a certain degree of customer satisfaction, and therefore by definition has to 'work with' its customers through market research in order to deliver the product/service they are willing to [continue] to buy ... the sensible clubs are those who retain and build loyalty by understanding the wants and needs of those who align themselves with their 'brand'

An alternative view was:

Customers and fans are very different and in my eyes if you are treated like a customer then basically the business concerned is out for itself and any attempt to treat customers well is only 'because it means more profit'. Profit is the be all and end all! There lies a lot of problems with football.

It could be that the genie of market forces is out of the bottle in football and cannot be put back in again. Moran has noted (2003, 88), 'the increasing colonization of sport by the market. This has commonly involved much more than merely selling the activity. It has transformed the way it is organized and even played.' However, one should not slip too readily into a deterministic version of the advance of neo-liberalism in which market forces sweep all before them. There is a literature which argues that the status of consumer can be politically empowering. Citizen consumers 'use exit, voice, and loyalty consumer choice alternatives to express themselves politically at the marketplace.' (Micheletti, 2003, 19). Thus, 'Consumption can in certain instances be a *venue for political action*. It offers people an inroad – venue – into policymaking that otherwise may be closed to grassroots political participation.' (Micheletti, 2003, 12).

Political consumption can thus be presented as a means of overcoming political exclusion and placing new issues on the political agenda. In the British context, this has been developed into an analysis of a new politics of retail governance in which retailers act as more stringent and effective regulators than the state. Retail governance is in fact problematic in a number of respects, but particular problems arise in extending the analysis to the particular case of football. More generally, a definition of political economy has been offered as the way ‘public policy and the mass consumption economy reinforce each other’. (Cohen, 2004, 8). Whilst recognising the forces that lie behind this definition and give it its rationale, it will not be used here.

‘This view of consumption and consumer choice suggests that there is a *politics of product*, which means that every product is embedded in a political context.’ (Micheletti, 2003, 12). The problem is that the political economy of football is not conducive to an effective politics of consumerism. The basic problem is the strong loyalty of the fan to the ‘brand’, making the exit with loyalty option not particularly viable. A decline in Premiership attendances early in the 2005-6 season did lead to something of a media panic and prompted the FA Premier League to set up an Attendances Working Party. Nevertheless, ‘top flight attendances have held up well, and are consistent with those in previous seasons.’ (Jones, 2006, 2). ‘Average attendances have risen from 21,159 during the first year of the Premiership to 33,887 in 2005/06, a growth of 60%’ and in the Football League ‘the trend line over recent years is upwards.’ (Deloitte, 2006, 3). Even so, as a fan contributing to the E mail discussion referred to earlier noted, ‘Football should never be equated to a regular product based industry as the football supporter is a very unique type of “customer”’. Self-definition as

a customer offers the promise of autonomy and the potential of leverage, but can facilitate sophisticated forms of manipulation.

Political responses: the meta politics of club and country

Compared with an extensive literature on the economics of sport and football, the literature on its politics is more limited. This is one reason why the economic discussion of these questions in this article could be seen as having been privileged. There is first a meta politics which operates at a global, but more specifically at a European level which is where the richest clubs are to be found. Much of the debate here has centred about debates about the interpretation and implementation of EU competition policy, but at the heart of these disputes is a power struggle between Fifa/Uefa representing an associative approach to the regulation of football and the G-14 (now with more than fourteen members) representing Europe's richest clubs (although not Chelsea). The G-14 can be seen as broadly representative of a more market oriented approach to football while Fifa likes to portray itself as the defender of the world's poorer countries and of community values. Some of these battles are fought out on the courts, while others require winning the support of EU politicians.

One area of conflict between Fifa/Uefa and G-14 is over the release of players for international matches. The big clubs argue that they should be compensated for the absence of key players and more particularly when they are injured. A court case is over a Moroccan player, Abdelmajid Oulmers, who was injured in an international match after his club, Royal Charleroi of Belgium, was required to release him has been referred to the European Court of Justice. Another issue is an attempt by Uefa to impose minimum quotas of home grown (strictly speaking, 'locally trained') players on clubs which would

reverse the ceiling on the number of foreign players removed by the Bosman ruling. The Uefa view is that cosmopolitan squads could weaken bonds with local communities, whereas the clubs want the combination of players that is most likely to win matches and attract crowds because they include what are in effect football celebrities. Another issue which was prominent a few years ago which would have a radical impact on European football was the formation of a European football league which would be the primary competition in which top clubs would participate, although there would presumably be some form of truncated domestic qualifying competition. That has disappeared from the agenda for now, but it could be revived.

More generally, G-14 wants more involvement of clubs in the management of the international game. They have been politically skilled in their handling of EU decision-makers, who admittedly have a propensity to deal direct with big firms. They have made use of the mechanism of the European social dialogue to hold wide-ranging talks with Fifpro, the players' organisation. Uefa, by contrast, has been relatively flat footed in some of its attempts to operate at an EU level, although more recently it has been concentrating some of its efforts on the five leading member states. However, this is a contest that is by no means over with the result far from clear

The national level: a politics of cooption and engagement

Government intervention is not absent in football, otherwise there would not be a Department of Culture, Media and *Sport*. Many of the interventions have, however, arisen from football becoming engaged with other policy arenas, most notably public order policies having to engage with and respond to football-related disorder and health and safety policies (all seater stadia in the top two divisions). However, even in the case

of disorder, Mrs Thatcher's proposal for ID cards was never implemented. There have also been some important state absences compared with other countries, notably 'the greater level of public subsidy generally available for stadium construction and maintenance on the continent than in England.' (Dobson and Goddard, 2001, 38).

The most notable intervention in the economics of the game was the decision of Stephen Byers, then Trade Secretary, to endorse the recommendations of the Monopolies and Mergers Commission that the BSkyB takeover of Manchester United should be blocked. 'Politicians were evidently nervous about being seen to sanction the notion that football clubs are merely tradeable commodities, to be bought and sold according to the dictates of the free market.' (Dobson and Goddard, 2001, 85). In opposition New Labour developed a commitment 'to imposing an independent regulator on football.' (Bower, 2003, 137). However, facing resistance from the leading clubs and the FA, the Football Task Force appointed by New Labour lost its high level support in a government committed to maintaining good relationships with business. It became 'evident that the government had little interest in imposing a regulator against the football authorities' wishes.' (Brown, 2000, 258). By 2002 it was possible for FA officials to assert, without fear of political contradiction, that 'We, the FA, are the regulator.' (Quoted in Bower, 2003, 4).

Government intervention in football has thus been sporadic and has tended to disappear once the initiating crisis has faded from the headlines. It is therefore important to examine what happens at the club, level both in terms of the management of the clubs and the fans. In examining national (and indeed local) football politics, a distinction is made here between a politics of cooption and engagement and a politics of resistance.

The former is a politics developed by particular clubs as a corporate strategy, while the latter involves actions by fans in defence of their vision of how football should be run.

Charlton Athletic is taken here as an example of the politics of cooption and engagement, describing itself as 'more than just a football club.' As Banks notes (2002, 192), 'The pioneers of supporter activism were undoubtedly the supporters of Charlton Athletic.' Cooption refers to strategies to involve fans in the agenda of the club, while engagement refers to efforts to relate to contemporary government policy agendas. Cooption in the case of Charlton is exemplified by the device of a supporters' director elected by season ticket holders, although after a process of screening candidates. However, a supporters' director is only one voice on the board and is subject to the constraints of commercial confidentiality. At best, they can act as an ombudsperson for fans, and could be seen by management as a way of conveying their perspective on issues to supporters.

Charlton Athletic has followed what amounts to a conscious strategy of engagement with New Labour policies, although the club would no doubt prefer to describe them as government policies. New Labour pursued 'a desire to use mass sport as an instrument of social policy, notably as a way of combating social exclusion and promoting public health.' (Moran, 2003, 89). It is no accident that the phrase 'social inclusion' appears four times in the club's latest annual report, along with other buzz phrases such as 'sustainable' and 'successful outputs'. (Charlton Athletic, 2005, 17-19). The club has pursued a multi-level governance strategy at local, regional and national political levels. Activities such as providing football training for children in the school holidays are perceived as 'an innovative way of meeting the Government's social objectives and the

new Respect Policy.’ (Charlton Athletic, 2005, 14). For its part the government has sent the Chancellor of the Exchequer, the then Health Secretary ‘and a delegation from the Home Office to discuss how football and sport can improve community cohesion and lead to a healthier and safer environment.’ (Charlton Athletic, 2005, 17). Add in a delegation from the Belgian Government and Prince William and the club can claim:

Such heavyweight and high profile visits have positioned the club and the Community Trust as a highly imaginative pathfinder contribution that can be used as an excellent model of best corporate social responsibility practice to roll out on a much wider scale in the future. (Charlton Athletic, 2005, 13-14).

The politics of resistance

Supporters have attempted to develop a politics of resistance to events affecting their clubs which they consider to be harmful to their future. One of the earliest and most successful attempts was the formation of the Valley Party by Charlton Athletic fans who contested local elections after the local council failed to grant them planning permission to return to their ground. After a sophisticated campaign, they gained nearly 15,000 votes and contributed to the unseating of the chair of the planning committee. Planning permission was subsequently granted. (Everitt, 1991). This example has been followed by other fans, most recently the registration of a Seagulls Party with the Electoral Commission by Brighton and Hove Albion fans seeking to overcome local authority opposition to the building of their new stadium.

The Monopolies and Mergers Commission decided in 1999 to block the acquisition of Manchester United by BSKyB, a decision that ‘surprised many commentators.’ (Crowther, 2000, 64). A group of Manchester United shareholders and fans known as

Shareholders United Against Murdoch (SUAM) mounted a substantial campaign against the takeover. Many 'did not take SUAM seriously and thought that they were pushing a very large boulder up a very steep hill.' (Crowther, 2000, 70). In opposition and in its first term in office, New Labour had expressed some sympathy for the position of football fans. 'New Labour's "Charter for Football", Blair pledged, would allow the voice of ordinary supporters to be heard in the clubs. Market forces would not be allowed exclusive control of football's fate.' (Bower, 2003, 147). This symbolic commitment was exemplified by the establishment of the ultimately ineffectual Football Task Force. Such ideas as an independent football regulator have disappeared off the agenda and New Labour has reverted to the traditional government policy of nudging the FA to put its own house in order. However, the Monopolies and Mergers Commission decision may have been made in a broader political context that considered that fans were an important political constituency whose views should be taken into account. The decision was significant because it prevented what could have been a more general trend for football clubs to become subsidiaries of media companies, creating a range of inherent conflicts of interest and greater pressure for 'super leagues'.

United fans built up a block of shares in an effort to block any further takeover, but they were unable to prevent the acquisition of the club by the Glazers who were prepared to incur heavy levels of debt to purchase what they saw as a promising sporting franchise. The majority of shareholders saw their stake in United principally as a business transaction and were prepared to accept a good offer for their shares. Some disgruntled United fans went off and formed a non-league team, FC United, copying an initiative by Wimbledon fans when their club was permitted to move to Milton Keynes as MK Dons.

The Wimbledon decision was particularly worrying to fans because, although the football authorities argued that it was a special case, it did suggest that football clubs could be treated as franchises that could be relocated on the American model. FC United and AFC Wimbledon have done well in terms of results and attendances, and one should not underestimate the enthusiasm and commitment of those who are involved. However, it could be argued that that they are morale building symbolic gestures of defiance in the face of defeat by commercial forces.

The supporters' trust format for involving fans in the ownership and management of a football club has won official endorsement. It was pioneered at Northampton in 1992 where the Trust acquired seven per cent of the shares and the local authority leased out a new stadium. (Lomax, 2000). Lomax suggests, however, that it is important that trusts remain independent of the club:

This, it appears to me, is the snag with the otherwise highly successful example of AFC Bournemouth, where a Trust, initiated by key supporters but comprising a coalition of local supporters, acquired the football club three years ago. When the honeymoon period ends, as inevitably one day it will, whom will the supporters criticize? Themselves? And who will be in a position to represent them in doing so? (Lomax, 2000, 86-7).

When Bournemouth became the first community-owned club in 1997, it was believed that the scheme would serve as a blueprint for others in the lower divisions, concentrating on raising money through areas outside football. Money raised secured the loans for building the stadium, but with unpaid construction debts, the collapse of the ITV Digital deal, and the bottom falling out of the transfer market, the club owed the Inland Revenue

about £500,000 with a total debt of around £7 million and faced administration in the closing months of 2005. The complicated ownership arrangements at the club did not make a resolution of the problems easy, with the 2,500 fans in the trust owning a blocking golden share that constituted 51 per cent of the voting rights. In December 2005 the club sold the ground for a property developer for £3.5m, wiping out half their debt. They will now have to lease the ground back for around £300,000 a year.

Supporters' trusts have been able to find supporters with relevant business skills including solicitors and accountants and individuals with marketing expertise, but they cannot escape the economic forces faced by all lower division clubs: small gates; limited commercial, television and merchandise income; unsustainable wages; and a fall in income from transfer fees. The inevitable result is recurring financial crises. One solution would be to make greater use of part-time players, but the Conference and even some non-league clubs below that level have been converting to full-time squads which do make a considerable difference in terms of fitness levels and performance.

Supporters' trusts may represent the embodiment of a community vision of football, but they have to operate within the logic of the market.

A vigorous politics of resistance has been developed within football, but it has enjoyed mixed success. Probably to be more successful it would require more systematic backing by government, but this seems unlikely, given that while there is a willingness to upbraid the football authorities about particular issues (e.g., winter postponements) this does not extend to a challenge to their regulatory autonomy. The presence of important media interests in football may be one factor that enters into the political calculus.

Conclusions

It is evident from this discussion that football represents a product market with very distinctive features, but nevertheless some central economic concepts are useful as a device for interrogating data and undertaking analysis. It has also been shown that football has generated both a politics of cooption and engagement by boards and of resistance by fans.

Given the distinctiveness of football, it might be asked whether it is appropriate to apply general theories of political economy. The argument made here is that they have to be applied, both to give intellectual credulity to the enterprise and, hopefully, to make some contribution to the ongoing theoretical debate about political economy (although important issues about structure and agency have not been tackled here). It is also enables the identification of the kinds of political-economic themes and problems that any future debates would need to address. It is suggested that the political contribution to a model of the political economy of football comes from four main elements:

- The strength of the policy community within football which uses arguments about expertise acquired by experience and the need for football to resolve its own problems to resist exogenous pressures.
- Faced with such resistance, the temptation for governments is to resort to a depoliticisation strategy which involves indirect management of football related issues.
- Consequently, the penetration of the regulatory state remains more limited in football than in other economic and social arenas with self-regulation remaining an important theme.

- The use of football to promote social policy objectives creates a politics of engagement that is available as an option to clubs and that receives more political underpinning from the core executive than any politics of resistance by supporters.

The value of this model is that it allows one to identify possible areas in which changes in the balance of power between the different actors could be sought. One has to wary of falling into a kind of (politically popular) market failure logic in which an economic analysis is qualified by a consideration of political forces seen as a means of remedying market shortcomings. Nevertheless, this is a point at which one can integrate the economic and the political analysis. ‘The case for regulation to over-ride the “free market” outcome ... seems enhanced if clubs are pursuing non-profit rather than profit objectives.’ (Dobson and Goddard, 2001, 9). One can also apply analysis of monopoly as a form of market failure as a theoretical underpinning for football regulation:

The basis of this is that football clubs occupy a local monopoly position given the peculiar nature of consumption in the football industry. Put simply, the argument is that football fans are not customers in the normal sense, but that their custom is based on loyalty to a particular club which will remain unchanged whatever the success of the team and regardless of relative prices across clubs. (Brown, 2000, 256)

One controversial conclusion that could be drawn is that football needs more (and more sophisticated) politics not less to counter the strength of economic forces and to ensure that the game is treated as more than a marketable commodity. Depoliticisation does not mean an absence of politics, but it does involve a more arms length strategy for

managing potentially difficult issues as far as government is concerned. One way to bring about change in the mutually reinforcing model outlined above would be for football to be politicised and that implies more active and systematic state intervention than has occurred hitherto. Given a general preference for depoliticisation where possible, and a desire to avoid government overload, this may not occur. Government's preference in relation to football has been to devolve policy tasks to lower levels where achievement can be measured by performance targets rather than to intervene in the management of the game as a business. Football thus enters into a partnership with the state to develop policies that seek to fulfil goals such as more healthy lifestyles. This helps to boost football's image and helps government to try and achieve some of its goals without disturbing the involvement of international business corporations or big business interests (although tax policy is always a potential source of tension).

In practical terms, politicising football and engaging the state in its affairs in a more systematic way is a difficult project given the lack of understanding of politics, properly conceived, within football and its tendency to think itself of a separate world which should be protected from external interference. General encouragement for supporters' trusts or exhortations to football to put its house in order will not address some of the dilemmas outlined in this article. In intellectual terms, however, this article has sought to develop a political economy model that permits a better understanding of the balance of economic and political forces involved and the way in which the specific characteristics of the football market justify regulatory intervention.

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