

# RESEARCH FOR THE WORLD

# For the good of the game: fixing football through improved regulation

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Recent scandals have rocked the football world, from the controversy surrounding the Qatar World Cup to fan outrage at the European Super League announcement in 2021. **Jan Zglinski** argues that introducing new football laws can help to address the deep-rooted problems affecting the beautiful game.

As the Euros come to an end, the euphoria and excitement generated by football have been spectacularly on show in Europe and across the world.

Such occasions, Dr Jan Zglinski, Assistant Professor in LSE Law School, argues, show why football remains "the beautiful game". As he explains in a recent Research Showcase talk, "it gives us incredible moments on the pitch ... Off the pitch, it contributes to identity-building, to social cohesion. It can promote public health, and it even contributes to the global economy, as well as the local economy."

But there is a less beautiful side to football. As one example, Dr Zglinski mentions the May 2015 press conference in which Loretta Lynch, then US Attorney General, announced her intention to prosecute FIFA (the international football federation) for bribery and other finance offences under the RICO Act. As a reminder, this is a US statute that was originally introduced to prosecute criminal organisations like the Mafia.

Corruption and financial wrongdoing, human rights violations, persistent gender inequalities, sexual abuse scandals – with these issues so rife across the beautiful game, it is no wonder that Dr Zglinski believes that "football is in dire need of reform". But how can the football world change?

This idea of money for reforms will forever be a hard sell. 99

#### Reforming the football pyramid

"Football is a sport based on antiquated governance structures which do not safeguard transparency or accountability," argues Dr Zglinski.

To explain the current status quo of football governance, he introduces the football pyramid. Each layer of the pyramid is connected hierarchically – the top layer has powers over the one below, and so on. At the pinnacle is FIFA, responsible for international games, which stands directly over continental federations or confederations, such as UEFA, the body that oversees European football. Below, we have national leagues and associations, then regional and sub-regional associations, with clubs, players and grassroots organisations at the bottom.

For more than a century, this pyramid has been largely left alone to decide how it wants to run the game – this is known as "the autonomy of football". "This idea of voluntary association that doesn't really need government intervention has remained strong until today," Dr Zglinski says.

As part of this autonomy, many hoped that football's governing bodies could be trusted to solve the sport's problems. However, states Dr Zglinski, "this appears more and more unlikely". Instead, we see a "vicious cycle of problems", where big scandals generate media headlines, prompting football powers to announce their intention to change, before the game relapses into the same old patterns of behaviour.

There has consequently been greater and greater recognition that football needs better regulation and oversight. But, asks Dr Zglinski, what are the possible paths to improving football governance?



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The first path we could take, he explains, is reform through cooperation. One example is a cooperation agreement, such as the one between the European Union and UEFA.

On paper, cooperation agreements make big promises – including commitments to good governance, gender equality, fan rights and maintaining proper competitive balance. However, Dr Zglinski is sceptical about the actual benefits. "There is precious little substance to back up this beautiful rhetoric. There's no real hard obligations, no concrete commitments that UEFA needs to comply with," he observes.

To give more substance to this "flowery rhetoric", organisations like the EU or national governments can attach greater conditions to cooperation agreements. This could include tying compliance to funding, making financial support dependent on adhering to particular governance standards. But, Dr Zglinski warns, "there is a big catch. Anything we're talking about here is what lawyers would call 'soft law'. These are not legally binding obligations; they ostensibly rely on the goodwill of the actors involved to be enforced."

Furthermore, in a sport as rich as football, tying funding to compliance is not a particularly powerful incentive. As Dr Zglinski argues, "this idea of money for reforms will forever be a hard sell in what is ultimately the most commercially lucrative sport on the continent, and possibly around the world."

## **Reforming football through litigation**

If cooperation doesn't look promising, another route might be harnessing the power of litigation through formal proceedings like court cases. These could be pursued through domestic courts or through European courts such as the Court of Justice of the EU and the European Court of Human Rights in Strasbourg. Such cases have drawn on different legal areas, including competition law, EU free movement laws, and employment and labour laws at the national level.

Historically, some reforms have been secured through the courts. Dr Zglinski cites the case of Eastham versus Newcastle United, which came before the English courts in 1964. This challenged the rigid transfer system of the time, which meant that players couldn't join another team, even after their existing contracts had expired, unless a transfer fee was paid. Eastham, the player in question, managed to overturn this rule in the courts, leading to a positive impact on players' wages more widely.

A far more recent example is the Court of Justice of the EU ruling on the European Super League dispute in December 2023. The European Super League was announced to much fan outcry in 2021, with the top clubs in Europe proposing a breakaway league. The announcement led to fan protests and an ultimate pause of the plans. However, in December 2023, the Court ruled that the Super League founders were right to argue that UEFA was violating EU competition rules with its restrictive guidelines on so-called "third party competitions".

So could this be a tool to litigate on other pressing football matters – on fan rights, gender equality, the regulation of football agents, and so on? Certainly, Dr Zglinski acknowledges, it's an approach that we are familiar with, which is "a great strategic advantage".

However, there are serious drawbacks. Firstly, litigation always requires an individual to bring the legal challenge – this might prove difficult in some circumstances. Secondly, courts have tended to be deferential to sports federations. Thirdly, success in the courts typically only concerns a specific issue and applies on a case-by-case basis.

The biggest issue, Dr Zglinski argues, is that "if we succeed in litigation, what's happening is that we remove a football rule. The problem is that we don't need fewer rules – we need more rules. We need more, and better, regulation."

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#### Reforming football through regulation

This brings Dr Zglinski to the last – and best – option: legislation. As he proposes: "Why don't we adopt a football law? That football law could contain rules about transparency, accountability, diversity, representation, conflicts of interest ... many options could and should be considered."

Dr Zglinski points to European countries that are beginning to go down this route. France, for example, has introduced gender parity rules. These stipulate that by the end of 2024 – or 2028 in some situations – sports federations need to have equal numbers of men and women in executive positions. Spain has reintroduced the possibility of fan ownership of clubs and opened up the option for players to pursue cases in ordinary courts.

In the UK, a historic step has been taken with the introduction of a Football Governance Bill in March. The Bill proposes the introduction of an independent regulator with three objectives: "to improve financial sustainability of clubs, ensure financial resilience across the leagues, and to safeguard the heritage of English football". This Bill emerged out of an independent, fan-led review of football governance in 2022, initiated following the outcry over the 2021 European Super League announcement. This was turned into a White Paper and, as Dr Zglinski predicted, had looked set to become "binding law". However, the announcement of the UK General Election on 4 July put the passing of the Football Governance Bill on hold.

## Legislating for the good of the game

For Dr Zglinski, the key goal would be an independent regulatory body that could stand outside the football pyramid and oversee how it operates. He argues that legislation is the clear path to achieving this and other necessary reforms within the football world: "legislation shouldn't be seen as a punishment, or as a means of destroying the sport, but as a means of fixing some of the many problems it is currently experiencing and is unable to solve itself."

"In other words", Dr Zglinski concludes, "this could be an attempt to do something which is ultimately, to use a slogan popularised by FIFA many moons ago, 'for the good of the game".

This LSE Research Showcase was written up by Rosemary Deller, Knowledge Exchange Support Manager at LSE.

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