

Commercialisation and Corruption in Sport

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Does Commercialism Ruin Sport?

Sport changed markedly during the twentieth century. It transformed from a leisure activity where even at the elite end, amateurism was the predominant ideal, to a multi-national entertainment business within which athletes can earn up to seven figure salaries. Broadcast rights and advertising space at sporting events are highly lucrative and the most popular sports franchises make more from their merchandise off the pitch than they do from the ticket sales for their games. The principal value of modern professional sport seems to be as an entertainment business. Critics argue that this commercialism has a corrosive effect upon sport and sport's intrinsic values which have been replaced by extrinsic ones that create an environment ripe for corruption and cheating. Others maintain that commercialism enables a greater level of athletic excellence and opportunities to succeed. This chapter will consider the effects of commercialisation and recommendations to ensure that the core values of sport remain.

What is the commodification of sport?

Commodities refer to goods and resources that can be bought and sold. The typical understanding of a free market is one whereby the price of commodities rises or falls depending on its demand and supply. A commodity with low supply and high demand will be expensive, whilst a commodity with high supply and low demand will be cheap. Advocates of free markets argue that they lead to efficiency, technological advancements in the drive for efficiency, and more choice for the consumer as the greater the demand, the greater the competition to service that demand. Commodities are commercialised when they are made available to be sold on a mass market and are specifically targeted and advertised to an audience in order to increase its demand, and thus its value.

The notion of a commodity stems from distinguishing between two ways of valuing a particular item. An item can have a use-value and / or an exchange-value. The use-value refers to an item's intrinsic worth whilst the exchange-value refers to an item's price within a market. Commodification occurs when the value of an item changes from having a use-value only to having both a use-value and an exchange-value. More recent understandings of commodification maintain that there does not necessarily have to be a physical exchange of goods for it to be commodification but also includes an attitude or way of viewing an item. When an item is regarded as having a monetary value, even if it is never sold, it can be said to have been commodified.¹

¹ Anderson, E. (1993) *Value in Ethics and Economics*. Cambridge, MA: Harvard University Press (cited in Walsh and Giulianotti)

The commodification of sport refers to the way in which it is viewed as a resource to be sold to a consumer. This may relate to sporting competition itself, in terms of selling tickets for live events or television rights for coverage of particular games, or related merchandise such as team shirts, scarfs, mugs and a variety of other paraphernalia. It also includes the players and athletes whose services are bought and sold within a market.

Walsh and Giulianotti distinguish between two types of commodification: dirty commodification and quasi-commodification. Dirty commodification is when money is illegally used to subvert the outcome of games. There have been many incidents of match fixing in professional sport, such as deliberately allowing goals to be scored in football, runs to be scored in cricket, or bouts to be won in boxing. Match fixing ultimately undermines the internal good of fair competition. Good sport can only occur if all competitors try their best to win within the constraints dictated by the rules. Match fixing undermines this principle because it requires participants to fail to do their best.

Quasi-commodification refers to the way in which money is directly used to influence the outcome of sporting competition albeit not illegally; for example, if a rich benefactor enables a team to acquire the best players by attracting them with the highest wages. In this instance, there is a direct correlation between finance and sporting victory. This means that victory will be monopolised by those with the most money and leads to much of the criticism of the free market in sport.

Is the commercialisation of sport a recent phenomenon?

A popular conception of sport is that, until the late twentieth century, it was dominated by an ethos of amateurism whereby the sole reason for competition was for its intrinsic value. Yet in many respects this is a myth. For instance, victory in the Ancient Greek Olympics was not simply rewarded through the presentation of an olive wreath, but also with goods in kind and a free meal a day for the rest of their lives. In many Ancient Greek games victors were also rewarded with cash prizes and goods of great value. As a consequence, the most successful athletes in the Ancient games would be the equivalent of millionaires today.² Such was the commercialisation of sport in this period that it raised concern among Greek intellectuals that the excess of money had led many athletes to lose balance and moderation in their lives by pursuing physical excellence at any cost.³ As Heather Reid notes, the Ancient Greek games were not a golden age of amateurism since, “there’s little doubt that professionalism, entertainment concerns, and even cheating were present in ancient sport.”⁴ Equally, whilst the common perception of sport in the nineteenth and early twentieth century was one whereby participants were motivated solely by internal goods, many sports, such as boxing, wrestling and dog and horse racing, were highly commercialised. Similarly, the spit that led to the different codes of rugby in the early twentieth century, stemmed from disagreements about the commercialisation of the sport.

² Miller, S. (2004) *Ancient Greek Athletics*. New Haven: Yale University Press.

³ Ibid.

⁴ Reid, H. (2012) *Introduction to the Philosophy of Sport*. Rowman and Littlefield. p87

Nevertheless, as Walsh and Giulianotti point out, the recent commodification of sport has led to an increasing commercialisation that bears no resemblance to any previous sporting periods:

A time-travelling English visitor to the Lords Cricket Ground from the nineteenth century would certainly not fail to notice the changes to the way that cricket is now played in response to commercial pressures, from the advertising hordings that hug the boundary fences to the commercial language of many of the administrators to the entertainment-driven type of game that is played to attract new markets.⁵

The rate and pace of commercialisation of sport over the past few decades has accelerated at an almost exponential level. For instance, the rights to broadcast English Premiership football matches rose from costing 191 million pounds in 1992 to 5.136 billion pounds in 2016.⁶ Walsh and Giulianotti refer to this substantive increase in the commercialisation of sport as 'hyper-commercialisation' and outline four determinants that define it:

- The transformation of sports clubs into corporations
- A rise in the number of professional athletes
- An excessive propagation of advertising and merchandising
- The 'venalisation' of the sport ethos (i.e. a predominance of financial profit as a motive for success)

What are the criticisms of the commercialisation of sport?

The central criticism of the commercialisation of sport is that it shifts the value of sport from intrinsic ones such as the joy of participation and the development of athletic excellence, to the extrinsic one as a means to make financial profit. By instilling market values, commercialism changes the way sport is viewed and valued.⁷

One of the effects of this marketization is to change the nature of the sport. Robert Simon points to the way in which sports are increasingly designed to be marketable to the non-specialist fan who may not appreciate the subtle nuances of the game. Rule changes are brought in to increase the entertainment value through faster and higher scoring games, but at the detriment of other skills.⁸ Whilst Simon cites changes to baseball and basketball, this criticism extends to sports such as cricket which have recently moved towards promoting the faster and shorter 20/20 version which is played over the course of an evening, and away from the longer five day test match. Critics argue that many of the skills required for the five day game are now being lost.

Another effect of commercialisation is that it places greater demands on participants and spectators. For Walsh and Giulianotti, sport is one of the basic goods that enables us to lead a good life: commercialisation effectively prices the poorest out of the market. Even for those with greater means, the commercialisation of sport leads to more

⁵ Walsh, A. and Giulianotti, R. (2007) *Ethics, Money and Sport: This Sporting Mammon*. London: Routledge. p14.

⁶ BBC SPORT. Premier League TV Rights: Sky and BT pay £5.1bn for live games. 10th February 2015.

<http://www.bbc.co.uk/sport/0/football/31357409> Accessed September 2015.

⁷ Morgan, W.J. (1994) *Leftist Theories of Sport: A Critique and Reconstruction*. Chicago: University of Illinois Press.

⁸ Simon, R. (2004) *Fair Play: The Ethics of Sport* (2nd Ed.). Oxford: Westview.

fixtures, longer seasons, and frequent changes to team shirts, which places increasing financial demand on genuine fans who wish to support their team. It also has a negative effect on the players and athletes who suffer added injuries and 'burn-out' due to the demands and expectations that a longer season imposes.

Rampant commercialisation engenders unfairness as success is bought rather than achieved through fair means. Walsh and Giulianotti maintain that the hyper-commercialisation of sport has a negative influence on the notion of justice, particularly desert goods (that is, those goods that are deserved by merit). The purpose of sport is to rank competitors according to their athletic skill so that the most athletically skilful (which is determined by the rules of the particular sport) are ranked the highest and receive the greatest reward. This principle of desert is undermined if a competitor can gain higher ranking and reward through financial means rather than those such as talent and hard work. Although there will always be financial inequalities in sport, hyper-commercialisation accentuates this.

Walsh and Giulianotti warn of four moral pathologies that are made more likely by the commercialisation of sport:

- A *motivational pathology* which disposes athletes to an extrinsic motivation for participating in sport and can lead to cheating, such as doping and match fixing.
- An *instrumentalist pathology* whereby all aspects of sport are seen as a means to the end of creating financial profit. One element of this is in the way that human athletes themselves are treated as commodities to be bought and sold.
- A *distributive pathology* which reduces justice, such as the way in which genuine sports fans are priced out of seeing games due to high ticket prices.
- A *pragmatic pathology* whereby the all the other pathologies end up undermining a sport's existence, for instance, when a lack of investment in the 'grassroots' reduces the number and quality of players available to sustain the game.

Most criticism of the commodification of sport does not advocate a return to the myth of amateurism where cheating rarely occurred and everyone participated for the love of it. Indeed, there are arguably many benefits to commercialisation, ranging from greater opportunities to play sport at a professional level, which leads to an increase in athletic skill, which provides more entertainment for spectators⁹. Rather, it is more of a measured criticism that draws attention to the negative effects of commercialisation such as the instrumental focus upon external rewards and the dehumanisation of the athletes. The charge against commercialisation is that a change in motivation from an autotelic one to an instrumental one erodes sport's value. Walsh and Giulianotti take an Aristotelian perspective and argue that hyper-commercialisation adversely affects the possibility of human flourishing. The 'gravitational pull' that the influence of money has upon sport tends towards vice rather than virtue and as such, its effects should be moderated.

⁹ Ciomaga, B. and Kent, C. (2015) Rethinking the consequences of commercializing sport. *Sport, Ethics and Philosophy*. 9(1): 18-31.

How can the commercialisation of sport be tempered?

Walsh and Giulianotti maintain that markets are not necessarily a bad thing, but they must be well regulated. They also argue that there are some aspects of sport which ought to remain outside market control and propose several recommendations to reduce the adverse effects of commercialisation.

First, regulation is needed to avoid corruption. Corruption is problematic in that it leads to decisions based upon favours and bribes rather than fair and transparent processes. If these decisions are made for financial interests then it is likely to adversely affect the nature of the sport and the enjoyment of spectators and participants. Tight regulation of the rules within which sports businesses operate reduce the possibility of corruption and allow for the punishment of offenders.

Second, that regulation should reduce inequalities. Good sport is founded upon 'the sweet tension of uncertainty of outcome' but this may be undermined by hyper-commercialism. For instance, a criticism of the English football premiership is that it is dominated by a handful of super-rich teams and that although they may be rare occasions when a smaller team will win against a larger one, the league is only ever likely to be won by one of four teams. This is also seen in highly technological sports such as Formula 1 motor racing which tends to be dominated by the teams with the deepest pockets. When Ferrari dominated in the early part of the twenty first century, although they had a highly skilful driver in the form of Michael Schumacher, their success was predominantly down to the amount of money they were able to invest in the technology. In response, Robert Simon argues that sports should ensure a standardisation of equipment so that more wealthy participants do not have an unfair technological advantage.¹⁰ This was one of the reasons that A1 racing was devised, which gave all drivers the same car, although it never reached the popularity of F1 and eventually went into liquidation. Another option is to regulate the amount that clubs and teams are able to spend, for instance, 'capping' wages or transfer fees. However, it requires the mutual agreement of all parties and that Governing bodies are able to resist lobbying by those who wish such caps to be lifted. Alternatively, a draft system such as the one operated by the NFL aims to make sporting competition more equal by allowing the poorest performing teams to have first 'pick' of the best newcomers.

Third, that sports governing bodies should ensure that there is opportunity for genuine fans to have access to the sport. One of the criticisms of the commercialisation of sport is that at big sporting occasions a large number of seats are bought by corporate businesses which then fail to utilise them, whilst genuine fans are priced out of events. However, there is some indication that governing bodies are taking this problem seriously. At the London 2012 Olympics and 2015 Rugby World Cup, tickets were released in a lottery at various price levels in order to allow those without large financial means to bid for lower price tickets.

¹⁰ Simon, R. (2004) *Fair Play: The Ethics of Sport*. (2nd Edition). Oxford: Westview Press.

Fourth, that national Governments ensure that there are free-to-air sporting events. This was the case in the UK, following the 1996 Broadcasting Act which protected several sporting events as free-to-air. These included the FIFA World Cup, the FA Cup final, the Grand National horse race, the Olympic and Paralympic Games and the Wimbledon tennis Championships. However, this list is frequently under review and faces competition from lobbyists who wish to make more revenue from airing events via subscription or paid-for channels.

Fifth, that elite clubs must be compelled to invest in grass-roots sports. This is pragmatically sensible on the basis that without such investment elite clubs would fail to survive, but it also has a moral element in it ensures that there is greater access to the basic good of sport. Furthermore, they recommend that elite sports clubs should be owned by community groups rather than multi-national corporations whose sole interest is profit. Community ownership does not preclude commercial activity but reduces the dominance of the instrumental motivation since communities have more than profit at interest.

Finally, Walsh and Giulianotti maintain that athletes and those involved in sport should receive formal moral education and training. Forcing athletes and administrators to think critically and reflectively about the intrinsic values of sport is more likely to lead to morally good decision making and governance.

