

Modern football



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Introduction to globalisation

The aim of this paper is the processes what has led football to globalisation and discuss how these processes manifest in the modern football. That essey will introduce reader to globalisation in general, early diffusion and development based on Therborn's 6 wave model, contemporary model of globalisation, as well as movement of players, commercialisation of global football, global football in sponsorship, advertising and the media. Althought you can find answers on the questions like: How media affect to the football? What was before and after entering TV companies such as BSkyB and ITV to the football? Football – whose game is it now? Evaluetion a series of global processes and their effects on football globally as well as establishment of global governing organisations and global tournaments. All of that with facts and evidence, analysis and reserch you can find below in that essey.

We live in an age of globalization. The term ' globalisation' evokes many responses both positive and negative. What exactly is ' globalisation', who are the main players and what are its economic, social, cultural and environmental impacts? Globalisation has developed out for a long term of social processes. As pointed out by Guilianotti and Robertson (2004) the recent history of football in particular, can serve both as an illustration and as an indication of the extent of transnational interconnectedness. Football is something much bigger, rather than game or even a way of life. This distinct reflexion of inconsistent tendencies of the modern world with all its pleasures and grieves. Football represent not geographical zones but social classes and political ideas. Unlike baseball or tennis football bears cargo of century

hatred and historical biases. It is sports with real rates. It is capable to break ruling modes and to generate liberation movements.

Early diffusion and historical development

Football's international diffusion occurred during the late 19th century. The contemporary history of the world's favourite game spans more than 100 years. It all began in 1863 in England, when rugby football and association football branched off on their different courses and the Football Association in England was formed – becoming the sport's first governing body. Football, following the path of modern industrialism, spread from England to Europe (Duke 1995), North America (Waldstein and Wagg 1995) and South America (Guttman 1994), and eventually the African continent (Stuart 1995).

Accounts of the diffusion of the game to different parts of the world underline the intrinsic interrelation between football and industrial globalisation. As more and more regions became integrated into the emerging capitalist global economy (Pohl 1989) the leisure practice of football standardized in its rules and nationalized in its demands on time and space – continued the cultural equivalent to the changing processes of industrial production.

Robinson observes, for example, that global elites, regardless of their nationality, increasingly tend to share similar lifestyles and interact through expanding networks of the transnational state. Globalization is in this way unifying the world into a single mode of production and a single global system and bringing about the integration of different countries and regions into a new global economy and society. But the new global capitalism is rife with contradictions, such as the growing rift between the global rich and the global poor, concludes Robinson. (W. I. Robinson 2004).

Globalizations are not new phenomena. At least six historical waves, beginning with the spread of world religions, may be identified. An attempt is made to systematize the effects of globalizations on different world regions and social actors. Issues of governance are raised, focusing on states and norms. According to the Therborn's six wave model in the first wave we can see first mass migration of people, the same situation we can find in football industry. As Wagg stated, football seems to belong to everyone and, on the other, the game – rather like the land in the enclosure movements of the seventeenth and eighteenth centuries – has been taken from the people and used for profit. In this later formulation, then, the nation of British football's social and political history, from the Second World War to the turn of twenty-first century, is founded in ideas of social exclusion. (Wagg 2004).

The contemporary model

Nowadays football is the most popular and highly globalised sport on the planet, Mr Blatter also said the global football market, by Fifa's calculations, was one of over one billion people. According to the Deloitte report the European football market alone was worth 14.6 billion Euro in 2008.

England's Premier League clubs now pay their stars over a billion in wages, it has been revealed. The colossal bill – equivalent to 1.2 billion pounds per player – emerged as figures were issued for the season before the current one concludes. Roman Abramovich's Chelsea paid out the most in wages – 172 million pounds. Runners-up Manchester United had a salary bill of 121 million pounds. Third-placed Arsenal forked out 101 million pounds, followed by Liverpool, whose players earned 90 million pounds, according to football finance analysts Deloitte. These football clubs are now identified as a global

brands, for example Manchester United fan base is 75 million people around the world. The contemporary model is also marked by a series of global migrations, at the moment in the English Premier League playing about 50% of foreign players, but in 1992 there was just 11 registered players from overseas.

Media and commercialisation of global football

Along with the technology of the industrial revolution that produced the steamboats, railroads, and mass transit that moved people to leisure events, the rapidly evolving technology of mass media brought the drama and the excitement of sporting events to the people. The mass media, more than anything else were responsible for promoting organized sport from a relatively minor element of culture into a full-blown social institution. (Lever and Wheeler 1993: 126).

By the time television first appeared on the scene in the mid to late 1930's the patterns of "mobile privatisations" were already established. Television was part of a second generation of mass media that reinforced the structures of decentralised, private and suburban life. As Silversone argues, 'the space for television had been created by a social and cultural fabric already prepared'. This social and cultural fabric was in turn an expression of the ever more central role of rationalised mass consumption in capitalist societies. Thus the social, cultural and economic premises of the rise of television were interrelated with those of the rise of modern football.

These standardized practices of mass consumption reflected in the rise of television and radio were epitomised in the economic regime of Fordism.

Regular Fordist work and leisure patterns led to the manifestation of the weekend as place of consumption for the Victorian wage-earner, combining ‘both social identity and privacy’ (Cross 1997: 120). The establishment of half-Saturdays had been a crucial premise for the rise of professional football in England. Now, the extended leisure time of the Fordist weekend became the focal point of the consumption of mediated sports. This is underlined by the rise of Saturday afternoon sports magazines on American and British television (Goldlust 1987; Whannel 1991). Fordism, suburbanization and mass consumption thus constituted a triangle whereby both television and football were soon firmly integrated into the everyday life of millions of viewers. Television incorporated the stable and cyclical sports calendar into its schedules and thus reproduced and reinforced the temporal organisation of Fordist leisure practices.

In the modern football, for example, Premiership clubs are being bought at a time when the income of each of the league’s 20 teams is set to soar following a recent record-busting overseas television rights deal. Booming demand from Asia and the Middle East has allowed the league to tie up contracts worth £625 million for broadcasting rights for the next three seasons, boosting overall media income to £2.725 billion; 60 percent above previous levels. (Deloitte: football industry report). Several Leagues (such as the French, German and English leagues) have recently renegotiated broadcast contracts and have secured significant revenues for their clubs for a number of years. In Spain, Superclubs like Real Madrid and Barcelona have individually negotiated broadcast contracts. The Premier League is the most popular and the most lucrative domestic football league.

The sports goods industry is dominated by Nike, Adidas and football 'kit wars' regularly occur at the World Cup and in the leading national leagues. The major TV leagues are in Europe – the big five and the lesser five or six. Football has become a significant 'content filler' in the age of new TV technology – satellite, cable digital, telephony and internet. As Rupert Murdoch referred to it – 'a battering ram' for opening a new markets (Cashmore 2003: 64). Alongside this are the stars and star clubs who benefit from almost constant commercial and media exposure – especially, but not only, Beckham, Ronaldo, Real Madrid, and Manchester United. These players and clubs are representative of a new trend in the international financing of football. After the collapse of the football bubble economy in 2001, clubs have tried to explore new income sources by expanding their customer base worldwide. In particular, the economically vibrant East Asian regions has been a preferential destination for marketing managers and promotion tours. As Shimizu points out that David Beckham's two visits to Japan in summer of 2003 were mainly commercial – promoting endorsements for TBS (beauty salons), Meiji Seika (confectionery), Castrol (oil) and Vodafone (mobile phones) in June and his new team Real Madrid in August. According to a report by the Sports Business Group at Deloitte, one reason most top clubs have continued to see revenue increases and post strong profits is that they have lucrative multi-year broadcasting and sponsorship deals that have not been affected by the recession. BSkyB and Setanta pay out roughly \$1.8 billion a year for Premier League rights. Arsenal, Liverpool and Schalke 04 have multi-year deals with Emirates, Carlsberg and Gazprom that pay these clubs over \$15 million a season. More than half of the 20 clubs with the highest revenue signed current uniform sponsors within the last two years.

The deals are good through 2013, on average, protecting teams' biggest source of sponsorship revenue (along with stadium-naming rights). On the broadcast side, German, English and the top Spanish clubs all have deals in place through 2014, with French rights due for renegotiation in 2012 and Italy set to return to centrally sold rights in 2010.

At the turn of the twentieth century, centralized, urban leisure started to compete with more decentralized forms of consumption aided by the rise of new technologies such as the telegraph and railways (Ingham and Beamish 1993). New communication technologies helped to establish the national dimension of sport by enabling sports results to be communicated instantly over long distances. Radio reporting was immediate and, crucially, national rather than local. When Preston North End won the FA Cup in 1938, many listeners in Britain could for the first time follow the event on their radio sets simultaneously. Thus mass communication crucially contributed to the social and territorial diffusion of football.

Sports has become more commercialised in the past twenty-five years. Equally it is almost passe to say that contemporary football is big business. In 1994 Sepp Blatter claimed that football was bringing in US\$163 billion annually, more than General Motors could make selling cars (cited in Smith 1997: 144). Elsewhere the commercial development of football, and especially the economic aspect of the World Cup, has been assessed in great detail (Guilianotti 1999). When Bourdieu argued that television has acted as the 'Trojan horse' for the introduction of the commercial logic into football he was only partly accurate since commercial interests have always been present in sport. The development and growth of the global media was one

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of the main reasons of commercialisation of football as well as people who have money and time to spend and invest for a long time period.

Television sport throughout the world is dominated by football. There is football and then the rest sports. FIFA's empire has grown accordingly. Several Leagues (such as the French, German and English leagues) have recently renegotiated broadcast contracts and have secured significant revenues for their clubs for a number of years. In Spain, Superclubs like Real Madrid and Barcelona have individually negotiated broadcast contracts. The Premier League is the most popular and the most lucrative domestic football league. The most significant process which helped to increase global commercialisation of football, is development of a global media profile. Because just after big TV deals football became a billion game just because of media football players can earn millions pounds. For example, in Britain, since 1992 rights fee's have increased enormously from 191. 5 millions pounds to 1 billion 700 millions pounds, and every year the amount of money coming from the TV rights is growing up. As Deloitte financial specialists argued that the outcome of the Premier League broadcast rights negotiations and the values achieved is likely to be a key driver in determining the ranking of English clubs in the Money League in future seasons.

Money led to foreign players

The globalisation of football has been marked by a considerable increase in the recruitment of foreign players throughout various leagues. But not only a players are moving around the world, in June, Manchester City became the eighth current Premiership club to be taken over by foreign investors. Aston

Villa, Chelsea, Fulham, Liverpool, Manchester United, Portsmouth and West Ham United are also owned by foreign businessmen. As Giovanni Trapattoni argued: “ Really, there has been a globalisation of football, and my view is that it has been good for the game. If you look at football in Europe especially, the standard is now very high”. A lot of money has come into the game in these leagues and it has been used to combine all these different cultures in some exceptional teams. According to figures released by the Brazilian Football Confederation (CBF), no fewer than 857 players left the country’s sunny shores for foreign leagues in 2004. Though just short of the previous year’s record, the number is further proof that Brazil’s dream academy is alive and well. Answer on tthe question why foreign players migrate around the world, is simply – money. But in some cases money is’t a first factor when player make a decision where to move, a good example can be Russia, salaries in Russian Premier League are on the same level like in Big Five leagues in Europe. So when player make a choice where to move Spain or Russia for equivalent amount of money, his choice usually will be Spain. The major factor to make this decision is cultural engagement and geographical reasons.

Conclusions: Diminishing contrasts and increasing varieties?

The world’s richest clubs are prospering despite the global recession. The financial crisis has yet to derail the world’s most valuable football teams. Forbes Magazine’s calculations shows the top 25 teams are now worth, on average, \$597 million, 8% more than the previous year.

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These clubs posted operating income (in the sense of earnings before interest, taxes, depreciation and amortization) of \$42 million during the 2007-2008 season, 20% more than the top 25 clubs earned the previous year. There are now five clubs (Manchester United, Real Madrid, Arsenal, Bayern Munich and Liverpool) worth at least \$1 billion. Only the National Football League (American Football) has more billion-dollar teams (19).

“ With its capitalistic bent, European soccer rewards the best-performing clubs with higher broadcasting revenue,” the magazine said in a report Thursday. “ Leading the charge is the world’s most valuable sports franchise: English Premier League champions Manchester United, worth \$1. 87 billion.”

Indeed, Forbes reports Manchester United posted \$160 million in operating income, with its stadium, Old Trafford, pulling in more than \$200 million in ticket and concession revenue last season.

Spain’s Real Madrid ranked as the second most valuable at \$1. 35 billion, followed by another English club, Arsenal at \$1. 2 billion, Germany’s Bayern Munich at \$1. 11 billion, and England’s Liverpool at \$1 billion, according to Forbes.

By comparison, the most valuable Major League Baseball team is the New York Yankees, worth an estimated \$1. 3 billion as of last April, while the most

valuable National Football League team is the Dallas Cowboys, valued at \$1.6 billion last September, according to Forbes.

“Burnished by that relative stability and by the sport’s growing popularity throughout China and Southeast Asia, big-ticket investors have continued to pour money into England’s Premier league,” the magazine points out, noting the sale last fall of England’s Manchester City to Sheikh Mansour Bin Zayed Al Nahyan for nearly \$385 million.

“The value of European football is still there,” said sports banker Robert J. Tilliss, founder of Inner Circle Sports. “The demand from broadcasters and sponsors has continued to rise.”

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