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## **SELLING SOCCER**

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In July 2002, the Football Association of Ireland (FAI) announced that it had sold the live television rights to all of the Republic of Ireland's home international fixtures during the period 2002 to 2006 to British Sky Broadcasting (BSkyB) for €7.5 million. In addition, the rights to delayed coverage of the internationals and coverage of the association's domestic league were sold to the independent commercial station TV3. The state's public service broadcaster, RTÉ, was left out in the cold thereby ending a forty-year relationship. Only one-fifth of Irish homes had access to Sky Sports and although the announcement was greeted with dismay in almost every quarter the FAI described the deal as 'too good to turn down'.<sup>i</sup> If the deal had gone ahead fans would have had to subscribe to Sky Sports to watch live coverage of their national team playing in the qualifiers for the 2004 European Championship and the 2006 World Cup.

### *The business of sport*

In 1996, Rupert Murdoch, Chairman of News Corporation and de facto owner of BSkyB, described sport as a 'battering ram' that could be used to break into new markets. According to Murdoch, sport overshadowed 'film and everything else in the entertainment genre'.<sup>ii</sup> Indeed, compared to other content of mass appeal, sport is relatively inexpensive to produce and has plenty of drama and excitement. It is, usually, non-political, does not alienate viewers or advertisers and is hugely popular among advertisers' target audiences. Also, given its nature, sport is best viewed live thus strengthening the *raison d'être* of the pay-per-view system. The development of transnational communication technology has resulted in an increasingly reciprocal relationship between football associations and media organisations. Under pressure from both groups, UEFA (Union of European Football Associations) expanded the 1991-92 season of the European Champion's Cup to a league format, subsequently called the Champion's League. Over the next decade the competition was gradually expanded to include the second, third and fourth placed teams from certain national leagues – usually those with large television audiences. This has resulted in more fixtures featuring top European teams and therefore more pay-per-view matches and more advertising

opportunities and revenue. Football has undoubtedly become another branch of the global entertainment industry – a visual commodity to be exploited for profit. In 1992, BSkyB paid the English Football Association £304 million in a five-year deal that secured the live television rights to the Premier Football League. This huge investment of media capital resulted in the league being restructured to yield a financial return. Games involving popular teams were moved to Monday nights and were broadcast only on Sky Sports. In 1997, another five-year deal worth £670 million resulted in high profile matches being moved to mid-week slots and being designated as pay-per-view fixtures.

But it has not been all plain sailing for Murdoch or the concept of pay-per-view. In 1998, BSkyB attempted to purchase Manchester United Football Club but shareholders and fans strongly opposed the plan. The Monopolies and Mergers Commission eventually blocked the purchase on the grounds that it would give the company an unfair advantage in securing television rights. Had the purchase gone ahead, BSkyB would have been in the monopolistic position of being both seller and buyer of such rights.<sup>iii</sup> Audience opposition to pay-per-view or public indifference to sports that move to subscription channels is also not uncommon. In April 2002, Germany's largest media group, Kirch, declared bankruptcy. A significant factor in the collapse was the German public's refusal to subscribe for the right to watch the national football league. In 1996, the English Rugby Football Union agreed a five-year English internationals deal with BSkyB for £87.5 million. The move to a subscription channel saw ratings and public interest in the game decline so much that, in 2002, the BBC was granted delayed transmission rights in an attempt to reverse the decline.

### *Sport and national identity*

Sport at international level is much more than just a business, it is also a ceremonial and highly visible expression of shared national identity that acts as a collective ritual for citizens. According to Benedict Anderson, nations are 'imagined communities' wherein citizens largely depend on common recognizable symbols that elicit a sense of affiliation with the state and with each other.<sup>iv</sup> The spectacle of national symbols such as flags or anthems at international sporting fixtures creates such a sense of affiliation and loyalty in even the most fair-weather supporters. Mediated international sporting events thus provide a distinct cultural arena wherein national identity is imagined and thereby reinforced or challenged. Indeed, the success of the Republic of Ireland's football team since the late 1980s has forced a rethink on the defining cultural characteristics of Irishness, given that for decades football was regarded as a foreign sport. The complex process of globalisation – 'the intensification of

world-wide social relations which link distinct localities in such a way that local happenings are shaped by events occurring miles and miles away and vice versa' – has impacted on the concept of national identity.<sup>v</sup> The development of a world satellite information system that transcends the constraints of time and space has fuelled this process. In the past, broadcasting organisations tended to be national in character, constrained within the boundaries of a nation and addressed a defined citizenry. Today, broadcast media have a more global character that cuts across national boundaries to produce new transnational networks of inclusion and exclusion – most visibly perhaps in the area of sport – and that may very well challenge the concepts of nation and national identity.

Such developments have given rise to the idea of post-national identity: through a process of exposure to alternative cultures and identities, individuals have a looser affiliation to the nation. Such an identity is typified not by rigidly defined characteristics but by 'shifting cultural identities which correspond to the simultaneous integration of individuals into different and competing networks of relations'.<sup>vi</sup> Identity nowadays is situated in multiple imagined communities, membership of which may be a function of taste, choice and commitment. These categories are fluid in relation to one another and indeterminate at the boundaries, so it is therefore possible for a person to be an avid fan of both Manchester United and the Irish football team without feeling any less Irish. Rather than the nation becoming totally redundant, it is merely being continually re-imagined. The notional space that is the nation still becomes a meaningful setting that informs action when individuals in particular social networks invest that setting with significance – as happens with citizens support their national team. Thus the nation still occasionally becomes the symbol of the social network because it acts as a common cultural reservoir for members. That is why the sale of the television rights to the Republic's home internationals to a foreign subscription-based channel by the FAI raises fundamental questions about citizens' viewing rights of national events and the custodianship of cultural entities such as teams that represent the nation at international level.

Organisations such as the FAI sit precariously on the boundary where citizenship rights end and multinational commerce begins. The FAI's participation in international tournaments such as the World Cup is predicated on the fact that it represents the nation. Indeed, the concept of nationalism is one of the basic principles used by the FAI to attract sponsors and by broadcasters to attract viewers; and it is the symbols of the nation that give Irish internationals at Lansdowne Road their legitimacy. The Republic of Ireland team represents the nation, is composed of Irish nationals that wear a national strip, play in the

presence of the President or Taoiseach, salute the national flag and sing the national anthem. The question is whether such occasions are the private property of the FAI or the common cultural property of the citizens of the state. Added to this dependence on the symbols of state is the fact that for years previous to the FAI-BSkyB deal, citizens had made two indirect payments to watch their national team in action. First, the FAI is granted annual funding by the Irish Sports Council – paid for by the taxes that citizens pay to the state. And second, citizens also pay for a licence fee to fund RTÉ, the nation’s public service broadcaster. So when RTÉ paid the FAI for broadcasting rights, it was again receiving money from the public. Although constituted as a private company the FAI is thus inextricably dependent on the citizens of the state for its financial existence and on the nation itself for legitimacy at an international level.

#### *A question of ownership*

The FAI’s assertion that the broadcast rights of Irish international fixtures were the private property of the organisation to sell as it saw fit, raises the question of who really ‘owns’ national sporting events. There are various forms of ownership, the four most common being: pure common ownership, such as the symbols of nationhood that are shared among a citizenry; common ownership under government trusteeship, such as public libraries or public service broadcasting; private property under individual ownership; and private property under corporate ownership.<sup>vii</sup> One of the most significant trends in modern society is the gradual shift from common ownership to private corporate ownership. This process is fuelled by the emergence of large profit-driven transnational media companies such as News Corporation, whose huge resources have seen public service broadcasters such as RTÉ increasingly sidelined in the cut-throat competition for sports rights. In a similar vein, institutions that are amateur and in common ownership have come under market pressure to turn professional and reinvent themselves as corporate entities – the continuous speculation as to whether the GAA will turn professional being a case in point.

As communications space is steadily privatised and media content and audiences are increasingly commodified, the common public interest is gradually subordinated to private commercial interest. In the case of the European Champion’s Cup, the structure of the competition was changed to allow more fixtures between top teams. On the back of this, audiences were charged a pay-per-view fee before being packaged into demographic categories and sold on to advertisers thus doubling the revenue stream for the media organisations concerned. Access to this increasingly privatised communications space thus

becomes a privilege that consumers pay for, rather than a free entitlement predicated on citizenship. In other words, citizenship is defined not as a set of rights but in terms of purchasing power, a scenario that produces a two-tier information society: information rich and information poor.

As the FAI-BSkyB deal proved, private transnational companies have the scope and resources to acquire cultural events such as the Irish international fixtures. They shape their production and distribution so that both the game and the audience are turned into marketable commodities. The motive here, of course, is the extraction of a monetary profit rather than a contribution to the celebration and expression of national identity. Under the FAI-BSkyB deal, those who could not afford to subscribe to Sky Sports would have had to wait for the delayed coverage on TV3 (by which time the result would be known thus diluting enjoyment of the game) or watch the game in a pub (an unsuitable venue for younger fans). But given that these international fixtures depend for their legitimacy on the symbols of nationhood that are still in common ownership, was the FAI threading on thin ice when it insisted that it 'owned' the Irish international fixtures?

#### *Television without frontiers?*

As public resistance to the FAI-BSkyB deal increased, the government announced its intention to compile a list of sporting events that by law would be broadcast on free-to-air terrestrial television, thus ensuring that they remained in common ownership. However, the government claimed that this list would not undo the FAI-BSkyB deal.<sup>viii</sup>

The legal basis for the list was the 1997 EU Directive *Television Without Frontiers*. It allowed EU member states to ensure that television companies did 'not broadcast on an exclusive basis, events which are regarded ... as being of major importance for society in such a way as to deprive a substantial proportion of the public ... of the possibility of following such events via live coverage or deferred coverage on free television'.<sup>ix</sup> This provision sought to 'combine the preservation of general interests with the development of the market'.<sup>x</sup> Each member state had the option of drafting a list of designated events to be protected. Italy, Denmark, Britain, Germany and Austria had compiled such lists. Similarly, the Irish government had passed the Broadcasting (Major Events Television Coverage) Act in 1999. The sole function of this legislation was to give a legal basis to the creation of a list of events that were of 'generally recognised distinct cultural importance' that would be made available to all citizens on free-to-air terrestrial television. Such a move would ensure that major sporting organisations, especially those in receipt of public funds, could not place their

own financial gain ahead of the cultural rights of citizens to watch major sporting events. It would also have curtailed the process by which large transnational media companies paid extravagant prices for national or international events and then broadcast them on a pay-per-view basis. Although their consent was not required, the FAI, the Irish Rugby Football Union and the GAA all opposed the list on the grounds that it represented a restriction on their bargaining power in selling television rights. Despite this being the very objective of the legislation, no list had been compiled and the issue of protected events dropped off the political agenda until the FAI-BSkyB deal was announced.

It eventually fell, albeit indirectly, to the European Commission to restore the viewing rights of Irish citizens. When the Office of the Commissioner for Education and Culture was asked to comment on the FAI-BSkyB deal, it flatly contradicted the assertion that the government was powerless. According to the Commission, the government was free to draft a list without further consultation and it would apply retrospectively once approved by the Commission.<sup>xi</sup> Faced with this very public intervention, the government was forced to act and announced its intention to publish a list of protected events that would apply retrospectively. The junior partner in government, the Progressive Democrats, hinted that should the FAI persist with the deal, it could lose its state funding. Sensing the turning tide, the GAA stated that it had no objection to the listing of the All-Ireland senior finals.

The FAI, however, persisted in its opposition and argued that ‘market forces should determine which broadcaster should have the rights to televise sporting events’.<sup>xii</sup> Despite the generous annual subvention it received from the public purse, the FAI proclaimed that the ‘principle of a more liberal market’ resulted in ‘a better product for consumers’.<sup>xiii</sup> But the FAI seemed unaware that it itself was operating a monopoly in the marketplace by virtue of the fact that it was the sole organiser of soccer in the state. Would it have been so vocal in advocating a free market had another organisation initiated a tournament to compete with the FAI’s domestic league or competed with the FAI for public funding? According to the FAI, sport is a business and with generous government grants and lucrative television contracts up for grabs the FAI holds a very dominant position in the marketplace. Perhaps some real competition would result in ‘a better product for consumers’? The FAI also argued that the BSkyB deal would lead to more investment in grounds, extra youth initiatives and extra resources at senior coaching level – the exact reasons for which it was in receipt of public funds. In 2001, the FAI received €1.5 million from the public purse and was promised €2 million between 2002 and 2005 for its participation in the national stadium project.

*Not for sale*

The government eventually published its list of protected events two weeks after the FAI-BSkyB deal was announced. The list consisted of the Summer Olympics, the All-Ireland Senior Football and Hurling Finals, Ireland's games in the Six Nations Rugby Championship and in the Rugby World Cup, Ireland's home and away qualifying soccer games and final tournaments of the European Championship and World Cup, the Irish Derby and Grand National horse races, and the Nations Cup at the Dublin Horse Show. The list ensured that these sporting events would remain in common ownership and be available on free-to-air terrestrial television, be it RTÉ, TV3 or TG4. If the organisers of any of the above designated events had not agreed a contract with a qualifying broadcaster twenty-eight days before the event began, any qualifying broadcaster could apply for a High Court order directing that it be allowed to broadcast the event subject to an agreed payment. The list was forwarded to the European Commission, approved in January 2003 and enshrined in Irish law in March 2003.

While there may be a happy ending for Irish viewers in this instance, it merits little credit for the government. Despite having passed legislation to protect the viewing rights of citizens, it had backed down on its implementation when lobbied by the sporting bodies concerned. The government's claim that it was powerless to act after the announcement of the FAI-BSkyB deal was announced was disingenuous. It begs the question of whose interests the government was most concerned with: those of the citizens that had elected it, those of powerful lobby groups such as the FAI and the GAA, or those of Rupert Murdoch whose newspaper titles have a wide circulation base in Ireland? The Irish public has the EU and not its government to thank for restoring its viewing rights to national and international sporting events. Nevertheless, this episode marks a small victory for the cultural rights of Irish citizens living in an increasingly commercialised world.

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<sup>i</sup> McNally, F. 'FAI defends €7m Sky deal for soccer ties' Irish Times, 6 July 2002

<sup>ii</sup> Herman, E. & McChesney, R. (1997) *The Global Media*. London: Cassell, p75

<sup>iii</sup> Boyle, R. & Haynes, R. (2000) *Power Play: Sport, the Media and Popular Culture*. New York: Longman, p206

<sup>iv</sup> Anderson, B. (1991) *Imagined Communities*. London: Verso

<sup>v</sup> Giddens, A. (1990) *The Consequences of Modernity*. Polity Press: Cambridge, p64

<sup>vi</sup> King, A. (2000) Football Fandom and Post-national Identity in the New Europe. *British Journal of Sociology*: 51 (3) pp420-440

<sup>vii</sup> Mosco, V. (1989) *The Pay-Per Society*. Toronto: Garamond Press, p24

<sup>viii</sup> Cullen, P. 'List of protected events to be drawn up' Irish Times, 9 July 2002

<sup>ix</sup> *Television Without Frontiers* (1997) Luxembourg: Office for Official Publications of the European Communities, Article 3a

<sup>x</sup> *ibid*, p8

<sup>xi</sup> Hennessy, M. 'EU official says Sky deal can be bypassed' Irish Times, 11 July 2002

<sup>xii</sup> *Sunday Business Post*: 'FAI submission predicts constrained financial future' 25 August 2002

<sup>xiii</sup> Menton, B. 'Television deal will get ball rolling at all levels' Irish Times, 13 July 2002