
International Affairs

The Rise of State-Sponsored Soccer Clubs: A Destructive Means to an End

August 15, 2023

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In 2003, an investment into Chelsea Football Club by a Russian oligarch, Roman Abramovich, created a well-oiled winning machine with a global fan base that changed the face of men's and women's football forever. A juggernaut machine that operates under the sole principle of winning in the midst of chaos, as seen with the managerial merry-go-round and the 18 trophies won during this period. New owners such as Sheikh Mansour at Man City since 2008 and the Qatari Investment Authority at Paris Saint Germain since 2011 have tried to replicate this model of success and have failed to land the ultimate symbol of European prowess, i.e., the Champions League trophy. Now, the Public Investment Fund of Saudi Arabia looks to replicate the successful model of Chelsea Football Club after they acquired Premier League strugglers Newcastle United. However, this changing face of European football presents a noticeable trend of state-sponsored investments looking to use the global power of football to cleanse their damaged image in a unique process known as sports washing. This rise of state-sponsored investment since the turn of the last decade poses questions for football analysts and political pundits worldwide due to the

increasing global power of the sport. This opinion piece will analyze how the rise of state-sponsored investments creates a new frontier for soft power and how the influx of state-sponsored money destroys the romanticism at the heart of the game's success and popularity.

The central question is: how did the rise of state-sponsored investments result in a new frontier for soft power? Well, the proof is evident with the investments made by Sheikh Mansour in Manchester City in 2008 and the Qatari Investment group's investment in Paris Saint-Germain in 2011. These emerging regional powers used their stake in these clubs to essentially remove the ongoing discussions about the human rights abuses of migrant workers in their nations from the spotlight (Business and Human Rights Resource Center, 2020). The global power of the game allowed these governments to use football as a means to the end goal of improving their image on the world stage. They did so by making significant transfer investments in acquiring players that will help promote the club's brand to a global audience while investing significantly in the local community. A key illustration of this is evident in the transfer of

Brazilian International Neymar from FC Barcelona to Paris-Saint Germain that sent shockwaves to the football world economically. As noted by the esteemed Professor of Sports Enterprise at Salford University, Simon Chadwick, when this transfer occurred, the talks around Qatar shifted from the imposition of sanctions by its Gulf neighbours to the arrival of a global superstar at Paris Saint Germain (Chadwick, 2017). This transfer reinforced the ambitious image that Qatar had created for itself through its controversial selection by FIFA to host the 2022 World Cup (Chadwick, 2017). Another illustration of this is the acquisition of the oldest surviving FA Cup trophy from 1904, purchased by Man City's owner Sheikh Mansour (BBC News, 2017). The announcement of this purchase came when the countries Human Rights abuses were in the spotlight after Human Rights Watch released a report about the persecution of Activist Ahmed Mansoor by the state (Human Rights Watch, 2017). Now it is easy to understand why Saudi Arabia's Public Investment Fund purchased Newcastle United as part of their effort to improve their image on the world stage and repair the damage caused by the murder of Jamal Khashoggi in 2018.

How this state-sponsored investment has impacted the sport itself? Well, to simply put it, it has killed the competitiveness that is at the heart of the romanticism of the game because of the inflation in the transfer market. The big money transfers such as Neymar's £193 million move to Paris Saint Germain sent the transfer market into a death spiral as it drastically increased the rise of inflation in the market. In today's

market, a player who would have been worth £49 million in 2011 would now be worth more than £90 million in value. This inflated market makes success unattainable for smaller clubs and lower league clubs without the big clubs' financial backing. Thus, creating a state-sponsored investment system is the only way to compete with the likes of PSG and Man City without very profitable jersey sales globally. For instance, a historically successful club like Barcelona cannot financially compete with ultra-rich Man City, Chelsea and Paris SG without going into debt. However, some proponents for financial fair play argue that these regulations will tackle the ongoing inflation in football overtime, but that is an idealistic view of a regulatory system not designed to confront the ongoing challenges.

Financial fair play was only designed to reduce Chelsea's frantic spending spree but cannot cope with the state-sponsored conglomerates that can use sponsorship deals to pump money into the clubs and spend as much as they like. Man City was taken to court over this issue by UEFA, and the Court of Arbitration for Sports ruled in their favour that there was no sufficient evidence to prove that Man City broke FFP rules even though there was evidence to show that they cooked the books with sponsorship deals (Flood, 2020). When these loopholes exist, how can low league clubs or clubs within the same league as these state-sponsored enterprises compete with the financial prowess of these conglomerates without their injection of state-sponsored money? Without this ability to compete, there is little motivation for fans

of lower league teams to continue supporting their teams. Some proponents for increased state-sponsored investment argue that these fans would still watch their teams play due to their passion for the game, but that is not the case. In the words of world-renowned author John Priestley, "To say that these men paid their shielings to watch twenty-two hirelings kick a ball is merely to say that a violin is wood and catgut, and that the Hamlet is so much paper and ink" (1929). Fans admire the sport because of the beauty of the dream that a small-town club from Leicester can defy all odds and win the premier league title. That is the romantic power of football that inflation caused by state-sponsored investment into the market will deprive the next generation of football fans.

In conclusion, this piece analyzed how state-sponsored investment in clubs creates a new frontier for soft power and how the resulting influx of money destroys the romanticism at the heart of the beautiful game. The takeovers of Man City, Paris Saint-Germain, and Newcastle United are evidence of a new phenomenon in football

where states use clubs to fix their image tainted with heinous human rights abuses. This act of sports washing is apparent in the approach by the Qatari Investment Authority in their investments on and off the field in Paris Saint-Germain, with their latest statement of intent being the signing of world-class player and six-time Ballon D'or winner Lionel Messi from FC Barcelona. These significant investments take the spotlight away from damning news about the state of human rights in the country and have a ripple effect on the transfer market through inflation. The inflated transfer market creates a closed shop of ultra-rich clubs at the top, leaving the chasing pack searching for scraps as they descend towards their demise. Ultimately, making the fairytales such as Leicester City's remarkable title-winning season in 2015-2016 impossible without the injection of money by state-sponsored investment firms. Hopefully, football fans and pundits worldwide will heed the warning and demand action from football's governing bodies before the merger between football and state-sponsored investment is complete.

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