

## FIFA 1975-2000: the Business of a Football Development Organisation

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**Abstract:** The Fédération Internationale de Football Association (FIFA) is the governing body of world football and in this capacity has assumed the role of a global player in the relationship between sport and politics. While in the 1960s and 70s the organisation produced a growing number of political scandals in world football it has demonstrated a quite effective method of dealing with these problems in more recent times. The article develops the argument that this change for the better is a concomitant of the fact that FIFA, from the 1980s on, is also an extremely dynamic business profiting from the sale of TV rights for the World Cup. This interpretation seeks to understand the role of FIFA as a business against the background of its football development programmes which have made the world soccer federation a most effective International Non-Governmental Organisation. Today, these football development programmes are shaping the way the leading persons in FIFA's Zurich headquarters are defining their policies. However, this development has had its price, because it has given rise to serious internal political conflicts within FIFA. As a consequence, the organisation's politics of global integration are extremely vulnerable.

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## FIFA in a World of Nation States

The full name of FIFA is: La Fédération Internationale de Football Association. The organisation was founded in 1904 by a few cosmopolitan football officials from France, Belgium, the Netherlands, Switzerland, Spain, Denmark, Sweden and Germany in order to unify the interpretation of the rules and set up a major European tournament. Even before the outbreak of the First World War soccer associations from North and South America, Australia, Africa and Asia had signed up with FIFA. This explains why the long-awaited international football tournament, which took place in 1930 in Uruguay, was presented from the start as the 'World Cup'. Today FIFA comprises football associations from 207 countries. In other words the organisation has grown to cover every corner of the globe and has more members than the United Nations Organisation (UNO).

The greatest growth in membership occurred after 1945 when the principle of the nation state began to predominate all over the world.<sup>1</sup> More than one hundred former colonies, break-away territories and a wide variety of other political communities became independent nation states. All were founded on a similar pattern. The countries involved claimed their own sovereignty and the right to make their own laws within their own borders. They issued their own currency, organised postal services, and set up their own police force and army to ensure law and order at home and in their dealings with outside states. In order to be integrated as equal partners in the society of world states the individual nations aspired to be included in international organisations – one of which was FIFA.<sup>2</sup>

For the young states being a member of FIFA was all the more attractive since the organisation had been striving for global representation since the end of the First World War. For this reason its conditions for membership were, by tradition, generous. Whereas, for example, it took until 1960 for UNO to pass a 'Declaration on the Granting of Independence to Colonial Countries and Peoples',<sup>3</sup> FIFA was by then in the process of accepting football associations from dependent political communities on condition that the national membership organisation of the state containing this community voted in favour of admis-

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<sup>1</sup> While exactly 60 national associations had joined FIFA in the forty-years period from 1904-1944, the next group of about 60 member associations (to be precise, the size was 63) needed only a period of twenty years (1945-64). Numbers counted from Heidrun Homburg, "National Associations – Foundation Year", unpublished ms., FIFA Centennial Project.

<sup>2</sup> Cf. John W. Meyer, John Boli, George M. Thomas, and Francisco O. Ramirez, "World Society and the Nation State", *American Journal of Sociology* 103 (1997): 144-181. In the period 1870-1945 only 17 former dependent political unities succeed in forming a nation state; between 1945-1987 this occurred 113 times; cf. David Strang, "From dependency to sovereignty: an event history of decolonization 1870-1987", *American Sociological Review* 55 (1999): 846-860, here 855.

<sup>3</sup> This declaration is seen as the official start of UNO's decolonization policies; cf. Strang 850.

sion and put in a corresponding application.<sup>4</sup> Amongst the countries which joined FIFA earlier than UNO on the basis of this ruling were Kenya, Lesotho, Mauritius, Nigeria, Sudan, Uganda, Cyprus, Malaysia, Singapore and Syria.<sup>5</sup>

The huge number of new members also had a negative side. For the growth in membership meant that there was also a growth in member associations from politically dubious states. True, in the decades after World War II there were a number of states in Europe, South America and Asia – Portugal, Spain, Greece; Brazil, Argentina, Uruguay; the Philippines, South Korea – which threw aside their authoritarian regimes in favour of democratic constitutional forms of government. Outside the OECD states, however, there were very few states which enjoyed a constitution. A survey taken in 1979 showed that, of the 119 states examined, only 35 fulfilled the criteria of ‘democracy’ and ‘constitutional state’. The majority of world states were under a centrally-organised one-man rule.<sup>6</sup>

Against this background FIFA’s generous admission practices were at the same time a deliberate renunciation of any policy to examine the political nature of member associations, and its reputation began to suffer from the severe structural problem of any democratic umbrella organisation: the inability to exert influence on the political constitution of individual member associations. While small organisations with a local scope are able to select their members, organisations with a worldwide competency and responsibility are not. Thus, FIFA took no action against corrupt politicians who viewed football as a power basis (as in the dictatorships in Brazil, Argentina and Uruguay), turned a blind eye to the links between clubs and drug cartels (as in Columbia), and did nothing to prevent association presidents being appointed from above (as in Eastern block countries or some former colonies).<sup>7</sup> It even failed to pillory them in

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<sup>4</sup> See FIFA Archive Zurich, Minutes of the Extraordinary Congress held on 14<sup>th</sup> and 15<sup>th</sup> November 1953, 6-7.

<sup>5</sup> These examples are deduced from comparing the following information: Heidrun Homburg, “FIFA-Confederations & Affiliated National Associations 1904-2004 – Year of Affiliation”, unpublished ms., FIFA Centennial Project; Frank R. Pfetsch, *Internationale Politik* (Stuttgart: Kohlhammer, 1994) 89, und “Die Entwicklung der Mitgliedschaft in den Vereinten Nationen 1945-2002”, online, internet, 11 Dec. 2005, available: [http://www.unis.unvienna.org/unis/de/library\\_20040506.html](http://www.unis.unvienna.org/unis/de/library_20040506.html) (the year of UNO admission); Elihu Katz, and George Wedell, *Broadcasting in the Third World. Promise and Performance* (London and Basingstoke: Sage, 1978) Tab. A 1 (year of independence).

<sup>6</sup> Cf. Tatu Vanhanen, *The Emergence of Democracy. A Comparative Study of 119 States, 1850-1979*, Commentationes Scientiarum Socialium 24 (Helsinki: University of Helsinki, 1984) 42. See also the general discussion in Juan J. Linz, *Totalitäre und autoritäre Regime* (Berlin: Berliner Debatte Wissenschaftsverlag, 2000) XXXVIII-XLI.

<sup>7</sup> For these and further examples see Eduardo Archetti, and Amílcar Romero, “Death and Violence in Argentinian Football”, *Football Violence and Social Identity*, eds. Richard Giulianotti, Norman Bonney, and Mike Hepworth (London: Routledge, 1994) 37-72; Vic Duke, and Liz Crolley, “Fútbol, Politicians and the People: Populism and Politics in Argentina”, *Sport in Latin American Society. Past and Present*, eds. J.A. Mangan, and Lamartine P. DaCosta, *The International Journal of the History of Sport* 18.3 (London: Cass, 2001)

public. As a consequence the original maxim behind the organisation's activities – 'no politics' – had gradually developed into a statement of political bankruptcy.

In the 1960s and 70s world public opinion began to be more critical towards authoritarian regimes and more sensitive to the question of human rights<sup>8</sup>. This in turn produced a growing number of political conflicts in world football and the FIFA leadership blundered from one political botch-up to the next. For example in the 1960s the British president of FIFA, Sir Stanley Rous, was an open supporter of the policies of the Football Association of South Africa which arranged its fixtures along the lines of the Apartheid system. In 1973 FIFA's general-secretary Käser let himself be persuaded by the Pinochet regime in Chile that the misuse of the National Stadium as a torture prison was no impediment to it being considered as the venue for a World Cup knock-out match. And in 1978 FIFA ruined its political image in a hugely effective manner by allowing the Argentinean football association to organise the World Cup. The Association had applied to present the tournament during the years of the democratically elected Peron government, but by this time it had been taken over by the military dictatorship of General Videla.<sup>9</sup>

That said, there then followed a miraculous reform and there were no further political embarrassments – which brings me to my theme. Starting in the 1980s the decisive posts in FIFA have been occupied by politically sensitive persons with a global political outlook and officials began to take seriously the anti-racism clause of the official statutes. FIFA was also spared from the actions of the many different sporting boycott movement of the time which caused immense problems for such bodies as the International Olympic Committee. And finally it was able to get the above-mentioned organisational problem under control. In 1999 a National Associations Committee was set up, complete with inspectors and inspection tours along the lines of UNO. This body scrutinizes all applications for membership and intervenes with any member associations whenever politicians attempt to interfere with football or when there are any deviations from democratic standards. This FIFA 'police force' is a quite remarkable and – as far as I know – a unique institution in the world of interna-

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93-116; Richard Giulianotti, "Fußball in Südamerika: Globalisierung, Neoliberalismus und die Politik der Korruption", *Global Players – Kultur, Ökonomie und Politik des Fußballs*, eds. Michael Fanizadeh, Gerald Hödl, and Wolfram Manzenreiter (Frankfurt/M.: Brandes & Apsel / Südwind, 2002) 159-182; James Riordan, "Rußland und Sowjetunion", *Fußball, soccer, calcio. Ein englischer Sport auf seinem Weg um die Welt*, ed. Christiane Eisenberg (München: Deutscher Taschenbuch Verlag, 1997) 130-148, here 142 ff.

<sup>8</sup> Vgl. John Boli, and Frank J. Lechner, "Globalization and World Culture", *International Encyclopedia of the Social and Behavioral Sciences*, eds. Neil J. Smelser, and Paul B. Baltes, vol. 9 (Amsterdam: Elsevier, 2001) Sp. 6261-6266; Michael Herzka, *Die Menschenrechtsbewegung in der Weltgesellschaft* (Bern: Peter Lang, 1995).

<sup>9</sup> Cf. in greater detail Pierre Lanfranchi, Christiane Eisenberg, Tony Mason, and Alfred Wahl, *100 Years of Football. The FIFA Centennial Book* (London: Weidenfeld & Nicholson, 2004) 286-289.

tional sporting organisations. In fact I do not know of any other organisation with a comparable capacity for intervention.

How can this astonishing development be explained? Of course, the fact that FIFA has learnt valuable lessons from negative experiences plays a role. Likewise generation changes in the leadership since the 1960s have contributed to a more enlightened spirit within the official body. Typically in the 1974 election for the post of President the above-mentioned Englishman Sir Stanley Rous lost out to his Brazilian opponent João Havelange, who was a resolute opponent of any form of racism and an advocate of multi-cultural coexistence between the developed and the developing countries. However the decisive point seems to me to be the fact that since the mid-1970s FIFA has pressed ahead with the commercialisation and professionalisation of international football. In this way it has systematically extended its financial resources as well as its global radius of action and adopted a new definition of its duties. I would argue that this has been all the more successful since, during this period, certain specific political conditions in the global body politic have changed in its favour.

I should now like to analyse this particular conjuncture of various factors. At the same time I should like to make clear that this development has also had its price, because it has given rise to serious internal political conflicts within FIFA; and even today the organisation's politics of global integration are extremely vulnerable.

## From a Sports Governing Body to a Global Business

When FIFA was founded in 1904, it was 'designed' to be an international sports organisation and was supposed to administer rules and regulate competitive matches, as did similar organisations for other sports. It only began to extend its duties in the 1970s when football officials from the new member nations, particularly Africa, extended the interpretation of article 2 of the FIFA statutes "to promote the game of association football in every way it deems fit". These officials put up corresponding demands in order to benefit the so-called Third World Countries which, according to their argument, had "a right to obtain higher financial assistance corresponding to the real needs of our continent".<sup>10</sup> To meet these demands, FIFA began to engage more and more professional staff and grew to a business on a global scale with a vastly expanded financial basis: at first via sponsoring contracts with Coca Cola, Adidas and other firms, and later with the help of its own merchandising activities.<sup>11</sup> From the 1980s onwards the organisation enjoyed an unexpectedly high level of

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<sup>10</sup> FIFA Archive Zurich, Technical Development Committee, Meeting Nr. 13, 18.8.1972 (Enclosure), letter of CAF president Yidnekatchev Tessema to the chairman of the Technical Development Committee, 5 July 1972.

<sup>11</sup> Cf. Lanfranchi et al. 242-250.

income from TV rights for the World Cup. This in turn was directly connected with an extraordinarily dynamic development in FIFA's business activities.<sup>12</sup>

From the start FIFA conducted its business activities on a profit basis. This approach was fostered by the new president João Havelange. It soon aroused much criticism from observers who accused the organisation of operating as a capitalist entertainment business: FIFA's commercial activities had turned football into a "millionaire's gambling casino" and had misused the organisation as a licence to print money. These and similar allegations were put forward by expert authors and sociologists who had used methods of investigative journalism to expose financial transactions of considerable size.<sup>13</sup>

Has FIFA indeed been perverted into a capitalist business as the critics allege? My answer to this question is 'no', and therefore I should like to develop an alternative interpretation in this paper.

## FIFA as a Business Enterprise

At first sight the description of FIFA as a capitalist business enterprise might appear to be fairly accurate, particularly since FIFA's business activities have expanded to take advantage of the commercialisation of football. But looked at more closely there are some deviations from this alleged mode of operations. True, FIFA's approach to business has been thoroughly capitalistic in that it has accumulated income for internal uses. Nevertheless its principles of profit distribution have been (and still are) unorthodox.

By contrast with joint stock companies, for example, surpluses are not distributed according to the size of the initial investment capital. The beneficiaries are much more the member associations who are treated equally or according to their needs. Thus FIFA conducts its dealings more like cooperative businesses and other self-administrated companies in the classical labour movement where dividends are not a reward for the capital invested but are used to

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<sup>12</sup> In the 1970s those responsible had grossly underestimated the potential inherent in the sale of rights. For example, in the Proposition for the Organisation of a World Junior Tournament published on 26.3.1975 we read: "[B]ut here only small incomes may be expected"; see FIFA Archive Zurich, Technical Development Committee, Agenda for sitting number 18 of 27.8.1975.

<sup>13</sup> These "discoveries" often included data freely available to the general public as they had already been published in FIFA's annual reports. See e.g. Thomas Kistner, and Jens Weinreich, *Das Milliardenpiel. Fußball, Geld and Medien* (Frankfurt: Fischer, 1998); John Sugden, and Alan Tomlinson, *FIFA and the Contest for World Football. Who rules the peoples' game?* (Cambridge: Polity Press, 1998). Quoted from the cover blurb of the book by John Sugden, and Alan Tomlinson, *Great Balls of Fire. How Big Money is Hijacking World Football* (Edinburgh/London: Mainstream, 1999).

benefit the members and their activities.<sup>14</sup> It would therefore be more accurate to classify FIFA as a cooperative. But this comparison is also unsatisfactory. Going beyond the cooperative principle non-members also benefit from surplus profits. This is in any case the declared aim of the football development aid programme based on article 2 of the FIFA statutes “to promote the game of association football in every way it deems fit”. This programme, agreed on by the member nations, simultaneously enables FIFA, whose headquarters are in Zurich, to profit from Swiss laws exempting public benefit business (*Gemeinnützigkeit*) from taxation.

How is it possible to characterise an organisation that is simultaneously a capitalist firm and also a charitable association? In the following I should like to argue that there are good reasons to describe FIFA as a Non-Governmental Organisation (NGO). The NGO concept was ‘invented’ by the United Nations and comprises all types of voluntary cooperative bodies (associations, societies, foundations, unions, committees, clubs, leagues, conferences, etc.), which fulfil the following criteria: first, they operate independently of governments and pursue cultural, humanitarian and developmental aims; second, they contribute to implementing universal standard values, principles and activities with the help of an official elite. Where NGOs take up specific issues which are impossible to implement in the face of the principle of the sovereignty of national states and therefore operate in a transnational sphere, we can also speak of International Non-Governmental Organisations (INGOs). Prominent examples include the International Red Cross, Greenpeace, Amnesty International or global organisations covering specific professions, technical questions, industries, hobbies or sports. All these organisations cooperate with national and local social pressure groups, not to speak of other NGOs and INGOs with whom they are networked for mutual benefit.<sup>15</sup>

Furthermore the United Nations Organisation and its subsidiaries UNESCO and UNICEF are important partners for INGOs. For its part the United Nations Organisation is also interested in a political dialogue with the INGOs which explains why some of them are invited to participate in international negotiations and conferences. FIFA has enjoyed such privileges since the 1990s. It maintains licence agreements with the UN and organises sponsorships and project partnerships. These include initiatives against racism and child labour in the production of footballs (“Red Card to Child Labour”) and – in cooperation with the African Football Confederation and the World Health Organisa-

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<sup>14</sup> Cf. Robert Hettlage, *Genossenschaftstheorie und Partizipationsdiskussion* (Frankfurt/M.: Campus, 1979); Klaus Novy, and Michael Prinz, *Illustrierte Geschichte der Gemeinwirtschaft. Wirtschaftliche Selbsthilfe in der Arbeiterbewegung* (Bonn: Dietz, 1988).

<sup>15</sup> The best overview of NGOs and INGOs is John Boli, and George M. Thomas, eds., *Constructing World Culture. International Non-Governmental Organizations since 1875* (Stanford: Stanford University Press, 1999).

tion – a campaign entitled “Kick polio out of Africa”. Furthermore FIFA finances SOS children’s villages and supports them with sporting equipment.<sup>16</sup>

In the world of INGOs entrepreneurial dealings are seen as a legitimate means to raise the level of an organisation’s material resources, its ability to disentangle problems and achieve political aims. The fact that this is sometimes detrimental to its prestige and moral authority amongst the general public is accepted as the price to be paid.<sup>17</sup> In this respect FIFA is not a special case amongst INGOs.

That said, the World Football Association differs from other INGOs in that it has remained a membership-based organisation despite its entrepreneurial orientation. Most other INGOs are, by contrast, purely executive organs.<sup>18</sup> This particular feature has now become a problem for FIFA. For income from entrepreneurial activities has reached such a size that membership fees have been reduced to a purely symbolic level. A comparison between the incomes of the UN and FIFA underlines this only too clearly. In respect of membership numbers the UN is a comparable organisation; it has 200 members while FIFA has 207. Within UNO 47 members contribute around 99% of the regular budget.<sup>19</sup> By contrast FIFA’s membership subscriptions (and levies for matches) amount to less than 1% of its income.<sup>20</sup> As a consequence, even relatively wealthy member associations receive more money from FIFA than they contribute.<sup>21</sup> Subsequently, and because there is no major association with a power of veto

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<sup>16</sup> For this FIFA President Joseph S. Blatter was honoured as “International Humanist of the Year” by the International League of Humanists in March 2002; see *Global News*, Soccer-net, 20 March 2002, online, internet, 11 Dec. 05, available: <http://www.soccer.net/global/news/2002/0320/20020320blatteraward.html>.

<sup>17</sup> See Willetts, Peter, “What is a Non-Governmental Organization?”, *UNESCO Encyclopedia of Life Support Systems*, Section 1: Institutional and Infrastructure Resource Issues, Article 1.44.3.7: Non-Governmental Organizations (also online, internet, 14 Nov. 02, available <http://www.staff.city.ac.uk/p.willetts/CS-NTWKS/NGO-ART.HTM>); Ingo Take, “Neue Allianzpartner”, *Politische Ökologie* 72 (2001): special issue “NGOs im Wandel”, 34-36.

<sup>18</sup> See Michael Edwards, and Alan Fowler, “Introduction: Changing Challenges for NGDO Management”, *The Earthscan Reader on NGO Management*, eds. Edwards, and Fowler (London: Earthscan, 2002) 1-12, here 2, and Helmut Anheier, and Nuno Themudo, “Führung und Management von Internationalen Mitgliederorganisationen”, *Zivilgesellschaft international. Alte und neue NGOs*, eds. Christiane Franz, and Annette Zimmer (Opladen: Leske & Budrich, 2002) 303-325.

<sup>19</sup> Sven Bernhard Gareis, and Johannes Varwick, *Die Vereinten Nationen. Aufgaben, Instrumente und Reformen*, 2. ed. (Opladen: Leske & Budrich, 2002) 64.

<sup>20</sup> The FIFA Financial Report 2002 no longer lists membership fees. According to the report the fees for games in 1999 amounted to CHF 1.960.327, the total income from events, in which income from TV rights and marketing are included comprised CHF 183.018.571. In 2000 fees amounted to CHF 2.295.082, and the total income from events 681.549.250 (page 86).

<sup>21</sup> In case they accept these donations - which most of them don’t do. In 2005 only 176 of 207 were supported by FIFA. Cf. 176 Associations now Benefiting from FIFA Goal Programme, in: FIFA-Media Information, online, internet, 24 Dec. 2005 available: <http://www.fifa.com/en/media/index/0,1369,111127,00.html>.

amongst the 207 FIFA members (a further difference to UNO), the Zurich headquarters and its professional staff have an extraordinary amount of power concentrated in their hands, a fact which erodes the association's democratic basis. I shall return to this problem later.

On the other hand one of the salient features of INGOs in general is that they operate more 'top-down' than 'bottom-up'. Otherwise they would be unable to achieve their universal values and uniform standards.<sup>22</sup> In FIFA's case the huge amount of power enjoyed by the Zurich headquarters is a further important precondition for the productive use of another structural feature: its capability to focus its funding. By contrast with the similarly wealthy International Olympic Committee (IOC), which has to serve a great many different forms of sport, FIFA only needs to promote football. And by contrast with the Union des Associations Européennes de Football (UEFA) which is permanently compelled to take account of the interests of the major clubs, FIFA is able to devote its funds exclusively to national associations. When business is good this can mean cash injections to the order of millions which can provide enormous impulses towards development when purposefully applied to specific local projects.

### FIFA as a Free-Rider on the Wave of a Global Associational Revolution

Without a doubt FIFA is today one of the most financially powerful International Non-Governmental Organisations. That said it utterly conforms with contemporary trends. For all the NGOs and INGOs together can mobilise more money for their projects than the whole of the United Nations' system.<sup>23</sup> The increase in the number of INGOs alone confirms what a model of success these organisations have proved to be in the late 20<sup>th</sup> century. Around 1900, when FIFA came into being, there were only 200 INGOs. In 1930 the number had risen to 800, and by 1960 to 2000. After this the rate of growth was enormous. During the following twenty years the total doubled to 4000. Between 1980 and 1990 the speed of growth was even higher with the result that by the early

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<sup>22</sup> See John Boli, and George M. Thomas, "Introduction", in: Boli and Thomas, *Constructing World Culture* 1-12, here 5. The argument is explained in greater detail in Georg Krücken, "Der 'world-polity'-Ansatz in der Globalisierungsdiskussion", *Weltkultur. Wie die westlichen Prinzipien die Welt durchdringen*, John W. Meyer, ed. Georg Krücken (Frankfurt/M.: Suhrkamp, 2005) 299-317.

<sup>23</sup> See Leon Gordenker, and Thomas G. Weiss, "NGO Participation in the International Policy Process", *NGOs, the UN, and Global Governance*, eds. Gordenker and Weiss (Boulder: Lynne Rienner, 1996) 209-222, here 220; Berthold Kuhn, "Zivilgesellschaften aus der Perspektive der Entwicklungsländer", *Die Praxis der Zivilgesellschaft. Akteure, Handeln und Strukturen im internationalen Vergleich*, ed. Arnd Bauerkämper (Frankfurt/M.: Campus, 2003) 391-413, here 405 f.

1990s there were between 5000 and 6000 INGOs.<sup>24</sup> FIFA was a part of this worldwide growth of INGOs. As such it developed its organisation “in the midst of a global ‘associational revolution’” that, as recent international relations research has emphasised, “may prove to be as significant to the latter twentieth century as the rise of the nation state was to the latter nineteenth”.<sup>25</sup>

The associational revolution of the later 20<sup>th</sup> century had many causes. At first it was a reaction to the increased need for private aid which arose as a result of cutbacks in state funding all over the world. The global recession and financial crises of the 1980s led to a reduction in public expenditure in many countries. In some extremely poor regions of Africa, like Somalia, Rwanda and Sierra Leone, the state apparatus and infrastructure even collapsed completely. Other countries like Tanzania, Burundi and Zaire were dragged into poverty by an overwhelming influx of refugees. In the 1990s the collapse of the Soviet Union and its satellite states had conspicuous consequences. Many INGOs were now confronted with a huge challenge resulting from the breakdown in political systems in Yugoslavia, Bosnia, Kosovo and elsewhere, not to speak of armed conflicts, appalling refugee problems and other emergency situations.<sup>26</sup> In this situation FIFA regarded its football development aid as a flanking contribution to re-establishing social life. At the same time it reacted to the vacuum which had been left at the end of the Cold War by the general withdrawal of state funding to sport. Whereas the Soviet Union had promoted a deliberate policy of sending trainers and other helpers to Africa and Asia in the early 1970s in order to win over newly founded states in the wake of decolonisation, this development aid had been reduced even before the final collapse of the Soviet Union when it ceased completely.<sup>27</sup>

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<sup>24</sup> Numbers according to John Boli, and George M. Thomas, “INGOs and the Organization of World Culture”, Boli and Thomas, *Constructing World Culture* 13-49, here 14, 20. Meanwhile Boli and Thomas regard only those organisations which have an international membership and organisation structure as INGOs. If one wished to include all those INGOs whose work was generally devoted to international themes there would be as many as 25 to 30,000 INGOs worldwide - on all continents and spread equally in the industrialised nations and the so-called Third World; see Paul Ghils, “International civil society: International non-governmental organizations in the international system”, *International Social Science Journal* 133 (1992): 417-431, here 419; Paul Streeben, “Nongovernmental Organizations and Development”, *The Annals of the American Academy of Political and Social Science* 554 (1997): special issue “The Role of NGOs: Charity and Empowerment”, ed. V. Jude L. Fernando, and Alan W. Heston (London/New Delhi: Sage, 1997) 193-210, here 195; R.L. Stirrat, and Heiko Henkel, “The Development Gift: The Problem of Reciprocity in the NGO World”, Fernando and Heston 66-80, here 67.

<sup>25</sup> Lester M. Salamon, “The Rise of the Nonprofit Sector”, *Foreign Affairs* 73/4 (1994): 109-122, here 109.

<sup>26</sup> See Marc Lindenberg, and Coralie Bryant, *Going Global. Transforming Relief and Development NGOs* (Bloomfield CT: Kumarian Press, 2001) 8-12.

<sup>27</sup> At the end of 1972 there were alleged to be over 200 sport development aid workers in 28 African and Asian states; see James Riordan, *Sport in Soviet Society. Development of Sport and Physical Education in Russia and the USSR* (Cambridge: Cambridge University Press, 1977) 384. See also Terence Monnington, “Crisis Management in Black African Sport”,

The associational revolution has not only reacted to massive global emergencies, it has also mirrored the INGOs' extended radius of action. Between 1973 and 1989 a considerable number of states in the poor regions of the world, especially Latin America, moved from dictatorships to reasonably democratic forms of government. This opened up new areas of action and above all acceptable working conditions for aid organisations. They were now able to freely exchange information in order to coordinate activities and create synergy effects – a wave of rationalisation measures which were further promoted by the more recent global revolution in communications. Satellite telephone connections, the invention of fax machines, and most recently E-Mail and the Internet have enormously alleviated the activities of NGOs and INGOs.<sup>28</sup> All the more so when technical innovations have been used alongside improved educational opportunities. Between 1970 and 1985 the quota of adults in Third World Countries unable to read and write sank from 57 to 40 % – amongst men even to 29 % – and an urban middle-class sprang up for the first time in certain Latin-American, African and Asian countries. With the help of their committed cooperation the aid organisations have been able to reach populations in surrounding areas much better than before and build permanent links with scattered activists.<sup>29</sup>

### FIFA as a Trend-Setter

However, FIFA is not only a free-rider of such improvements of global infrastructure. Being one of the financially most powerful INGOs, it has also contributed actively to preparing the ground for effectively taking up these new possibilities.

The main step towards this direction was made only recently, in about 2000, after FIFA had considerably expanded its development programmes. While these programmes had mainly comprised courses of administration, sports medicine, refereeing and coaching in the decades before, a new programme called "GOAL" provided big sums from the sale of broadcasting rights for the financing of the national football associations' infrastructure: the building of headquarters, the employment of professional staff, and the stimulation of participation of teams in international competitions. But the most important innovation in this context is the new quality of support: The GOAL project granted, for the first time, development funds directly to football associations. Every association that applied could receive up to one million dollars over a three-year period. Havelange's successor as FIFA president, Joseph S. Blatter,

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*Sport, Culture and Politics*, eds. J.C. Binfield, and John Stevenson (Sheffield: Academic Press, 1993) 113-128.

<sup>28</sup> See Lindenberg and Bryant 8-12, 150.

<sup>29</sup> See Salamon 116 f.

took this gamble to demonstrate that money poured directly into the football associations could be used in a useful and lasting way and that, far from creating a new form of corruption, this direct aid would lead national associations to become more aware of their responsibilities.<sup>30</sup> The purpose of the GOAL project is to make associations fit for participation as well as for hosting international tournaments.<sup>31</sup>

The direct funding also allowed FIFA, if necessary, to monitor the autonomy and good working practice of national associations. With this in mind, the National Associations Committee mentioned in the introduction was created in 1999. Its role was not only to intervene into disputes but also to preserve and defend the rights of national associations. The Committee provides advice in helping member associations to use the money awarded to them to build up a modern, efficient system of administration, and observes member associations' elections. Furthermore it actively intervenes in any attempts by governments to meddle in associations' affairs or when a member association falls into difficulties for any other reason. Like the United Nations FIFA finances inspectors and inspection trips. The considerable costs are met from the massive source of income provided by the selling of media rights.

FIFA's inspectors enable the organisation to gain a close and immediate impression of any developments in sporting politics, to try to influence matters in a pragmatic fashion and, where necessary, to threaten any association with sanctions or even suspension. Since most governments nowadays regard football as a matter of prestige such threats have proved extremely effective. All in all, during the period between 1999 and 2002 the National Associations Committee dealt with matters concerning the member associations of ninety-nine countries. Most, but not by any means all, of these countries were smaller states from the developing nations and Eastern Europe.<sup>32</sup>

## Redistribution as a Political Problem

By contrast FIFA is still a long way from solving another of its structural problems, the building of factions and coalitions within the member associations. Such tensions have arisen from the relationships between the headquarters in Zurich and the confederations in each of the football continents. The confederations have come into existence since the end of the Second World War and are modelled on the Confederación Sudamericana de Fútbol (CONMEBOL) which was set up in 1916. They are UEFA (founded in 1954), the Asian Football Confederation (AFC, 1954), the Confédération Africaine de Football (CAF,

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<sup>30</sup> One of the means to reach this aim is that each association accepting donations has a national audit before KPMG.

<sup>31</sup> Cf. Lanfranchi et al. 227 f.

<sup>32</sup> FIFA Archive Zurich, National Associations Committee, Agenda – Minutes, 1999-2005.

1957), the Confederation of North, Central American and Caribbean Association Football (CONCACAF, 1961) and the Oceania Football Confederation (OFC, 1966). All these organisations are indispensable in mobilising resources to regulate conflicts in world football. On the negative side they act on behalf of their own regional interests and attempt to push through their own particular agendas by using block voting and building inter-confederation coalitions. Therefore, as early as the 1950s leading FIFA officials expressed fears that regionalisation tendencies in world football – a ‘natural’ corollary to a thriving global expansion – might also promote centrifugal tendencies and internal factions.<sup>33</sup>

By the end of the Havelange era in 1998, when Blatter took over the presidency, it was clear that there was some substance to the fears. As the proactive development policies of FIFA as a Non-Governmental Organisation had encouraged African and Asian members in particular to articulate their own interests, the Zurich headquarters found it increasingly difficult to enforce its viewpoint in conflicts with the individual confederations. This was, by the way, an additional experience that FIFA shared with many other INGOs.<sup>34</sup> The situation became particularly complicated in the 1990s because the newly founded states in Eastern Europe also began to claim their rights.

To conclude the article I should like to refer to one special type of conflict, compounded by two mutually impinging problems, that continues to crop up on many occasions. It is in part fuelled by a subconscious antagonism of the confederations to the Zurich headquarters and its huge abundance of power. But the main reasons can be found in the democratic principle of decision making of the FIFA general congresses. Again and again, the democratic principle ‘one country – one vote’ emphasises a divergence of interests between UEFA, whose influence within world football has been systematically eroded by FIFA’s deliberate globalisation policies, and the predominance of the non-European confederations. Although European countries still make up 63% of all registered players and 68% of all the teams in the world and finance the organisation over-proportionally, the egalitarian FIFA constitution means that

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<sup>33</sup> See Paul Darby, *Africa, Football and FIFA. Politics, Colonialism and Resistance* (London: Cass, 2002) 47 and passim, as well as the analysis of the former FIFA vice president Dott. Ottorino Barassi, *The World Organisation urgently requires modernising. Excerpt from the magazine “Calcio”*, vol. 11, No. 1.3, Milan (The article was distributed with congress material at the 32<sup>nd</sup> FIFA congress in Rome, 22./23. Aug. 1960): “Serious anxiety must be felt at the prospect of what might happen if the group of new African and Asiatic Associations (only to give an example) lumped together, formed a majority at the General Meeting of the F.I.F.A. and intended to make decisions without taking into account the isolation of the European and American groups or one of them.”

<sup>34</sup> There are far more ties between African countries and the NGO world now than in the beginning of the 1950s; cf. Kjell Skjesbaek, “The Growth of International Nongovernmental Organization in the Twentieth Century”, *Transnational Relations and World Politics*, Robert O. Keohane, and Joseph S. Nye, jr., *International Organization XXV/3* (1971) (Cambridge/Mass.: Harvard University Press, 1972) 420-442, here 431.

they have no more voting power than the countless 'paupers' from the developing countries who can together make up a majority of votes. In fact, as voting procedures are laid down according to countries, European members amount to no more than 25% of the total.<sup>35</sup> Therefore, unless it can come to a previous arrangement with the FIFA headquarters, the European confederation UEFA is forced to cooperate with precisely those Third World confederations whose influence they would prefer to curb, and this can only lead to unsatisfactory results.

I do not intend to examine these quarrels in detail in this article; they express themselves in ugly conflicts about personnel and in accusations of corruption and mismanagement. But I should like to emphasise that these types of conflicts are the unavoidable side effects of FIFA turning into a most effective International Non-Governmental Organisation during the last three decades. To get rid of these conflicts, the World Football Association would have to get rid of its democratic system of voting and to turn its back on its developmental politics. I am afraid that – as nobody is ready to initiate such a European-about-turn in FIFA politics – FIFA and its presidents will have to keep struggling with this situation.

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<sup>35</sup> Figures taken from "The big count", 52nd FIFA Congress, 4./5. Aug. 2000, Zurich, Report on activities, April 1998-April 2000, 14 f.