what their eyes tell them. In addition, Peru were bribed to throw their second round match against Argentina in 1978 - Argentina subsequently won the World cup.

This review only scratches the surface of Yallop’s expose. In recent times we have become increasingly aware of odd-doings associated with the production of sport. Drug taking in many athletic contests. The buying of votes for the Sydney summer Olympics in 2000 and the winter games in Salt Lake City 2002. The match fixing in world cricket. As I write this review the front page of The Sydney Morning Herald, 11 July 2000, reports on how major sponsors of Sydney 2000 are offering prime tickets to politicians. The back pages of the same edition carry an article about how Charlie Dempsey, an Oceania delegate to FIFA, abstained from voting on whether the 2006 World Cup should be awarded to Germany or South Africa, because of ‘undue pressure’ to secure his vote. How They Stole The Game is a profoundly disturbing work. It is a damning indictment on football, in particular, and sport, in general. It is a book which should be read by all those with an interest in sport. It appears that the implicit pact that his existed between organisers and spectators is, if it hasn’t already, coming to an end.

Braham Dabscheck
School of Industrial Relations
University of New South Wales


Sport, as a form of popular entertainment, is a big and growing business, which generates substantial amounts of income. It has been estimated, for example, that football, or what in this country would be described as soccer, worldwide, generates in the order of £150 billion. Szymanski and Kuypers in Winners and Losers: The Business Strategy of Football estimate, that in 1998, the income of English football clubs was approximately £700 million (p.1).

In Winners and Losers Szymanski and Kuypers apply business, or more correctly, (micro)economic analysis to the operation and organisation of English football. On page seven they state:

All the problems surrounding the running of a football club appear in one form or another in the business world. Like any business, clubs must generate revenues by selling their product to the paying customers: they must engage in advertising, marketing and promotion. They have to invest in the facilities, which enable them to sell their product in the right environment. Above all they have to
pay wages to players and invest in the development of talent in order to achieve winning performances, perhaps for their own sake, but also to keep the public interested in the club and willing to pay for its product. In all this the club must compete in a hostile environment against large numbers of highly motivated rivals. But it must also co-operate with these rivals to some degree in organising the structure of competitions, agreeing basic rules by which everyone must abide and developing new initiatives which benefit the industry as a whole.

Szymanski and Kuypers bring together a wealth of information concerning business/economic aspects of English football. Their analysis is both historical and contemporary. In addition, they make comparisons with other European football leagues and major team sports in North America. A major innovation of their work is the use they make of financial and accounting data filed at Companies House. In particular, they focus on a sample of approximately 40 clubs, for whom they have complete accounting records for the last quarter of a century. This has provided a rich vein of material concerning the income and expenditure patterns of clubs. Summaries of this data are reproduced in a 40-page appendix, which will be an invaluable aid for future researchers.

For more than 40 years economists have engaged in a debate concerning club motivation. Are clubs profit or utility maximisers? With the former, clubs will seek to extract a surplus over operating costs and provide owners, or shareholders, with income. On the other hand, the latter perspective maintains that clubs will devote extra income to acquiring high quality players to enhance their chances of on-field success. The evidence produced by Szymanski and Kuypers confirms that English clubs are utility maximisers. Historically, clubs have made zero profits; additional income has been devoted to acquiring, or spent on, players (p.24).

Szymanski and Kuypers use regression analysis to prove two propositions, which have been well known to spectators and followers of English football. They are first, teams which spend more on players will enjoy more on-field success - $R^2 = .92$; and second, league position determines club income - $R^2 = .89$ (pp. 165+188). The regression analysis also indicates that black players suffer wage discrimination (p.183).

Two inter-related factors have, or will have, major consequences for the operation of English football. The first is technological changes associated with the broadcasting and delivery of football on television (something which has portents for other sports). The advent of cable and pay-for-view television has dramatically changed the economics of football. Not only has it generated increasing amounts of income – the current Premier League television contract
is worth £670 million over five years (p.1) – but also has important distributional consequences. If, in the future, clubs are able to negotiate their own pay-for-view contracts, as has occurred in American baseball, there will be a further widening in income between successful and less successful clubs.

Second, there is the possibility of a super league being developed of top English and European clubs. Such a development could have dramatic consequences for not only English, but all domestic European leagues. Pay-for-view rights, and other income, from such super league contests may provide a powerful incentive for top English clubs to rethink their involvement with the Premier League.

Szymanski and Kuypers argue that English football, particularly in recent decades, has not operated as a strong cartel. In adopting such a stance they are aware of its success for approximately half a century in resisting attempts by the Professional Footballers’ Association to abolish maximum wages and introduce major changes to football’s retain and transfer system. More generally the league has experienced problems in garnering support from clubs for the development of an industry, or league based strategy to resolving differences, or tensions, between clubs. The breaking away of leading clubs to form the Premier League in the early 1990s is a recent example of the unstable cartel which is English football. Szymanski and Kuypers suggest that the Premier League (if not other European leagues) will attempt to introduce various arrangements, or rules, which will restrict the activities of clubs for the welfare of the league as a whole. Such attempts, they believe, will be subjected to litigation before competition (anti-monopoly) authorities in both the United Kingdom and the European Economic Community (p.318).

*Winners and Losers* has two major strengths. The first is the extent of material they have provided concerning English football. Szymanski and Kuypers have documented the major changes, which have occurred in, or impacted on, the English game since its (commercial) formation to the latter part of the 1990s. The second, and possibly more importantly is the organisation of their material and the clarity of exposition. They have made various ‘technical’ economic and business concepts, which are usually the province of so-called experts, easily accessible to the general reader, especially the followers of English football and sport more generally. *Winners and Losers: The Business Strategy of Football* is highly recommended.

Braham Dabscheck
School of Industrial Relations
University of New South Wales