



Sport cartels no different to the drug trade?

Hans Westerbeek

I was browsing the Netflix library for a new TV series to get my teeth into, when the show *Narcos* caught my eye.

A few episodes in, I first realised that cocaine, as a serious business of international trade, only accelerated during the early 1980s. When mastermind Pablo Escobar established the Medellin cartel in Columbia after discovering cocaine as an incredibly profitable transnational commodity, widespread corruption soon followed.

The profit potential of a globally forbidden fruit was simply too substantial to maintain law and morality and too tempting for those on both sides of the law. When cocaine took off it left governance, legislation and monitoring against its trade in its wake.

A few days later I found myself in a meeting preparing for the bi-annual Integrity in Sport Forum, co-hosted by the Sport Australia Hall of Fame and Victoria University. With bribery, corruption and cheating rife in global sport, I could not help but think that a parallel could be drawn between the current value explosion in sport and the amazing financial success of the Medellin cartel, which at its peak traded in excess of 420 million dollars a week.

Why is global sport business booming and why does this come with an increasing frequency and growing size of integrity scandals?

I think some of the answers can be found in 1980s Colombia.

They relate to attractiveness of the product on sale, the desire to win or be associated with winners, cheap production, efficient distribution channels, market size, longing for social acceptance, and narcissistic craving to shine.

There is no market without a product that is in demand.

Cocaine was literally mind-blowing customers, and elite level professional sport is offering equally powerful emotional gratification.

One very important reason why sport is in demand is its primordial simplicity. Every human being understands 'you against me'; them against us; and winners trumping losers.

Where Escobar and his associates unlocked cheap production and efficient distribution to its primary market – the USA – the digital production and distribution of sport competitions allow for global and instant access to a mass market for sport businesses. Big data analytics and near real time digital responsiveness have enabled the slicing and dicing of the sporting contest in endless 'sub' products.

Like cutting cocaine, betting agencies are selling odds to parts of the sporting contest such as who will score the first goal, who will commit the foul next, or what will be the half time score. And with these multiplying moments of monetisation of sport come the opportunities for criminals to exploit the loopholes and gaps in integrity safeguarding. Bribing an athlete to ensure that one tiny aspect of the sporting contest can be predicted is enough to make millions.

Pablo Escobar, at a deeper emotional level, wanted to be accepted as someone who mattered, even as someone who was acknowledged as making a difference. An important expression of having achieved in life for him was (and to many of us remains) to unashamedly show off power and wealth.

Oil and gas barons from Russia and the Middle East, or Presidents who run world or continental football governing bodies also crave these emotional stimulants, and sport at the elite level offers a platform for such fulfillment. We see the same behaviour here in Australia with our own local football codes.

Buying a football club in the richest European leagues, or desperately hanging on to power whilst being out of touch with reality, are examples of 'playing with the big boys' and making the bling shine for everyone to see.

Last but not least, in order to access the benefits that global sport offers as a platform, winning at all cost is too often required on the sporting field, but also in the sport business corridors.

It may be achieved by taking performance enhancing drugs that delivers super human performance, or using excessive financial resources to buy influence to stay in power.

The drug barons did it by bribing the police, politicians and judges so that they could maintain their unfair advantage in the marketplace. We are seeing the same things happen in sport.

So is sport business at the crossroads?

Are we in danger of sport becoming the cocaine trade of the 2020s?

In sport governance we trust? Are the current crop of sport governors and sport managers capable – skilled and equipped enough to combat the forces that seek to illegally exploit the exploding profit potential of sport?

How do we prepare, train, and educate the future managers of sport? Can the primal spirit of sport be maintained and its integrity safe kept?

A global compact between the leading international sport federations on what should be the basic business principles that underpin and regulate the trade in sport is required.

Various organizations across several governments joined in dismantling the Medellin cartel. Along similar lines a coalition of sport governing bodies, government, international authorities, business, academia and civil society has been announced earlier this month – the [Sport Integrity Global Alliance](#). The Alliance needs to agree on how far the commodification of sport can be allowed to progress, before the integrity of its production and consumption is irrevocably tarnished. Educators, researchers, administrators and politicians need to combine their brainpower and industry knowledge. An admirable and crucial initiative, but one is left wondering how key principles that more than 40 organisations signed onto are implemented and enforced.

How, for example, is such an Alliance going establish an “independent betting monitoring platform, capable of providing sport integrity intelligence alerts to sporting, law enforcement, betting operators and government stakeholders to assure early warning advice” or “establish independent monitoring, audit and oversight in relation to all sport-related development programs and financial transactions”.

And how can this happen when sports themselves are competing against each other for the best TV rights deal, host city arrangement, biggest sponsorship deal and slice of the gambling dollar, not to mention the best available athletic talent to take their sport to the next level?

Those who sojourn to the stadium, or the couch potatoes barracking from their living rooms need to be assured that sport is real.

They need to be confident that their cheers are part of a real contest. That the outcome remains unpredictable, the contest limited to those competing in it, and that there is always a chance that the underdog can win.

Only then can the superstars of world sport be role models for the millions of weekend warriors in communities around the world.

All of us, those who will only ever play sport for the fun of it, and who use sport to meet and congregate will decide if sport remains worthy of such prominence in society. If that primal spirit of sport is lost, so will be its profit potential, because nobody is prepared to pay a premium for a fake.

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In partnership with the Sport Australia Hall of Fame (SAHOF), Victoria University is hosting the [second Sport Integrity Forum](#) on Monday 9 May at the Malthouse Theatre in Melbourne.
