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# One

## SPORTS AND BUSINESS

On February 27, 1874, a game of baseball was played at Lord's Cricket Ground in London, between teams led by two men who shaped the destiny of sports across the globe. On one side was a young Al Spalding, founder of the sporting goods company and a man who helped create modern professional baseball. On the other was Charles Alcock, secretary of the prestigious Surrey Cricket Club and of the recently formed Football Association.

Spalding had been sent to London by his team manager to see whether it would be possible to organize a tour of Great Britain to exhibit the brash new American game of baseball. Spalding was to play a prominent role in the creation of the National League two years later, and to steer the professional game through its early years. By the time he wrote *America's National Game* in 1911 it was not only that, but also a significant business enterprise. Alcock, who acted as the London agent for Spalding's 1874 tour and the more famous world tour of 1888–89, instigated international competition in both cricket and soccer and created the first important competition in soccer, the Football Association (FA) Cup. Perhaps even more importantly, he ensured that there was no parting of the ways between amateur and professionals in soccer.

The split between amateur and professional happened early in baseball. The rules of baseball were first written down by Alexander Cartwright of the Knickerbocker

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Club of New York in 1845. Their game was one for gentlemen amateurs, a sociable excuse for an evening's eating and drinking. As the game became popular, enthusiastic crowds came to watch the amateurs play; commercially minded players saw an opportunity to sell tickets, and once the game was an entertainment, teams saw that they could bring in even more money by fielding the best players. Pretty soon there was a market for baseball talent and the modern business of baseball was born. In 1871, however, the amateurs declared that they wanted nothing to do with commercialism, and baseball divided into amateur and professional camps. Ever since, the professional game has shown almost no interest in the development of the sport at amateur and grassroots levels. Men like Spalding caught the spirit of the age, and the business of baseball flourished, while the amateur game mostly languished and is today preserved largely through the support of schools and colleges.

Although they had a good rapport, Spalding and Alcock were quite different sorts of men. Alcock was nothing if not a good sport and was the pitcher in his first (and possibly last) game of baseball. Alcock's team won 17–5 after only six innings, giving him a lifetime winning percentage of 1.000 with an earned run average of 7.50. Unlike Spalding, who was a great player in his time, Alcock made up for a lack of athletic talent with his enthusiasm for sport and his skills as an administrator. In the snobbish and class-divided world of Victorian Britain, he didn't quite fit in. His family was wealthy but recently had risen from humble origins, while he showed little interest in or aptitude for the family shipping business. The aristocrats who played cricket were happy for him to run the business side of the game, but he was not quite one of them. The businessmen

who organized soccer teams were more like Spalding in outlook, and Alcock's family money created a distance between him and the ordinary players of the game.

In 1885 a crisis almost identical to that of baseball's threatened to split the amateur and professional game of association football (that is, soccer). Commercially oriented teams wanted to pay players so they could win championships, but the gentlemen and aristocrats wanted nothing to do with pay for play. Alcock was appointed by the Football Association to find a solution, and he put together a compromise that left both amateurs and professionals thinking they had won, while both agreed to accept the jurisdiction of the FA. The global governance of soccer today, whereby the revenues from professional competition subsidize the development of the game at the amateur level, is a direct consequence of this compromise.

Sporting competition seems to be a universal characteristic of human societies. Play, as a form of preparation for "real life," is in fact known to many more species than merely human beings, and is clearly a valuable step in the development of adolescents. A predisposition to enjoy play is advantageous because it promotes a more rapid development to maturity, and this advantage no doubt explains its prevalence in the animal world. But play is for children, play is informal, play is unstructured, play is only for fun. Adults show how seriously play is to be treated when they organize it into "sport." The meaning of the word *sport* is much debated, but one thing is obvious: the meaning of sport to different peoples in different times depends on the purpose that sport serves.

Sports, in a sense that we readily recognize today, were played in all the great ancient civilizations—Sumerians, Egyptians, Chinese, and Incas all had their sports,

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including wrestling, running, chariot races, boat races, and ball games. The rules of these games are not well understood today, but their social functions can still be grasped from art and ancient texts. The ancient sports had two purposes that stand out—one is military and the other is religious. Most sports prepared young men for war, and therefore early sports were reserved almost exclusively for men. Sporting competition helped establish social standing, without resort to deadly conflict. Those who were stronger displayed their supremacy over the weaker, and hence their fitness for leadership. In ancient legends the heroes often prove themselves in sporting contexts. In Homer's *Iliad*, games are held at the funeral of Patroclus, and the principal leaders of the Greek army hold a chariot race, with a slave woman as first prize. Such examples draw a stark picture of the purpose of sports in ancient society.

Perhaps more difficult to understand for the modern mind is their religious function. However, if we see ancient sports as a way to establish social standing and responsibilities, we see why these events required the sanction of the religious caste. Sport symbolized war, and even if a sporting contest was only a dress rehearsal, it was useful to rehearse a victory. "With God on our side" is no doubt the most effective battle cry in history, and therefore it makes sense to involve the gods in the preparation of warriors. This is nowhere clearer than in the Inca ball game, which bears similarities to both basketball and soccer. According to descriptions left by Spanish conquistadors, the winners had the right to ask for any possession belonging to the spectators, while the losers were sacrificed to the gods.

The most enduring tradition of the ancient sports is the Olympic Games, founded by the Greeks in 776 BCE.

The ancient Olympics involved 200-meter and 400-meter sprints, the pentathlon, long jump, discus and javelin throwing, forms of athletic competition that have more immediacy for us than any other ancient sports. Ancient Greece was a patchwork of independent city-states and overseas colonies, frequently at war with each other. Each city would organize their own games, but festivals such as the Olympics were “Panhellenic”—open to all Greeks. Games were held in honor of specific gods (the Olympics for Zeus, the Pythian Games for Apollo, the Isthmian Games for Poseidon), and the sanctity of the Olympics was indicated by the requirement that all military engagements cease during the games so that soldiers could attend. Here also, the games played a role in identifying military prowess, but the records of individual achievement and the stories associated with athletes give the games a modern feel. Great athletes came to be seen on a par with the heroes of myth. At first songs were written in their honor, soon statues were erected, and before long came the ticker-tape parade. Exaenetus of Agrigentum, winner of the Olympic footrace in 412 BCE, was driven through the streets of the city in a four-horse chariot followed by the city’s three hundred most prominent citizens.

Twenty-five hundred years later, Greek sporting excesses have a thoroughly modern ring. Professional athletes traveled the circuit in pursuit of prizes paid for by the city they would represent (forget laurel wreaths, money and payments in kind were the norm), cities would bribe top athletes to switch allegiance, and athletes would bribe their rivals to lose (the route into the Olympic stadium was lined with statues paid for by athletes found guilty of cheating). Professional athletes became a race

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apart from the ordinary citizen who would only watch the games. There are stories of sexual excesses involving athletes in their postvictory celebrations. However, the identification of the success of the athlete with the status and well-being of the city is the most strikingly modern trait.

Roman games borrowed from the Greeks and other conquered nations, but also embodied “Roman virtues.” The Romans developed spectator sport as a leisure activity to a degree that is breathtakingly modern—the Roman Coliseum, built in AD 72, could hold over fifty thousand spectators. The spectacles staged at the Coliseum involving fighting of one sort or another—gladiatorial contests, mock battles, and animal hunts. Strip away the fact that some of the contestants died, and you have a show that has much in common with professional wrestling today. Religious connections ceased to play a significant role, and the fights no longer had much to do with preparing citizens for a military career.

Gladiatorial contests were typically paid for by the wealthier citizens, and not least the emperor himself, as a way of buying public support. They were hugely expensive events and highly organized. Gladiators, as slaves, were traded in the market at prices that resemble those of a top baseball or soccer star today, and inscriptions survive bemoaning the inflation in prices for the top performers. Roman chariot racing also had a modern flavor; races in the Circus Maximus involved competition between four professional stables, each team sporting its own colors and attracting support from among all classes of society, from the emperor down. The drivers were the unquestioned superstars of the age, paid huge sums of money, frequently acting as if they were above the law, and mourned as heroes when they died. In one case, a



distraught fan actually threw himself on the funeral pyre of a dead driver. In the later empire retired drivers sometimes pursued successful political careers.

Modernity in sport, it has been argued, consists of several elements—secularism, equality, bureaucratization, specialization, rationalization, quantification, and the obsession with records. But when we examine the ancient Roman chariot races, all of these elements seem present. And if this is true of an ancient civilization for which we have significant documentary records, who is to say that similar structures did not exist in ancient China or Mesoamerica, where the records are much sparser?

The Romans, of course, did not have stopwatches. A gulf separates the ancient world from our own. Almost all of the sports that we would call modern have been formalized over the last 250 years—soccer, football, baseball, golf, tennis, basketball, cricket, hockey, and modern track and field. Moreover, the formalization of these sports occurred almost entirely in one of two countries—Great Britain and the United States. The rules of the modern game of soccer derive from the rules of the Football Association (FA) created by eleven football (soccer) clubs in London in 1863, while the rules of baseball derive from the rules of the Knickerbocker Club of New York, written by Alexander Cartwright in 1845. Lawn tennis was invented and patented in England by Major Walter Wingfield in 1874, and basketball was invented in Springfield, Massachusetts, by James Naismith in 1891. The British in particular seemed to have been obsessed with the writing of rules and the creation of associations. For example, while both archery and boxing have been practiced since time immemorial throughout the world, the oldest known rules and associations for these sports came from Britain

(the rules of boxing were written and published in London in 1743, and the Royal Toxophilite Society for the promotion of archery was founded in 1790, also in London).

Competition today is dominated by a select group of the sports that were formalized between 1750 and 1900. In particular, the modern obsession with sport focuses primarily on team sports—soccer, football, baseball, basketball, and cricket (beloved of one billion Indians). These sports, combined with the individual sports of tennis, golf, motor racing, and cycling, probably account for more than 80 percent of sports journalism around the world. All of these games had their first known rules and associations created in either Britain or the United States. Why should this be? Sociologists have advanced a number of theories, which tend to revolve around either industrialization or imperialism.

The industrialization theory argues that the rationalization of sport through rules and its organization into competitive units reflected the restructuring of Victorian society around industrial production in cities following the Industrial Revolution, which first flowered in Britain at the beginning of the nineteenth century and spread to the United States soon after. According to this view, regimentation of sport followed regimentation of work. The application of time-keeping, written records, mass production, and transportation all brought benefits to the organization of sport as much as it did to trade and commerce.

The imperialist theory argues that British sporting practice spread through the British Empire, on which the sun never set (at least in the nineteenth century). This happened not so much by forcing anyone to play British sports (indeed, the British frequently refused to play sport

with their supposed inferiors) but through imitation. Along with military and economic power, accordingly, came dominance of culture and through influence British sporting practice spread. When the British Empire was supplanted by American economic power in the twentieth century, America's sporting practices also started to spread. The imperialist theory therefore focuses primarily on the means of diffusion rather than the origin of sports; implicitly, had another nation such as France or Germany been the dominant power in this era, it would have been their sporting practices that would have spread, rather than the British and American ones.

Both of these theories miss out on some interesting and important historical facts about the development of sport. They are essentially theories of the nineteenth century, when the most important steps in the development of modern sport may have taken place in the eighteenth century. Four modern sports, golf, cricket, horseracing, and boxing, set up rules and organizational structures in the mid-eighteenth century—before industrialization started, before Britain became the dominant power, before the United States was even born. Moreover, the two theories I've mentioned are silent on the institution that did most to create the revolution in sport, namely, the club.

Clubs are fundamental units of modern sport. The concept of an association or a federation is a modern one precisely because, as far as we know, the ancients did not have clubs in the sense that emerged in Europe in the eighteenth century. Indeed, historians and sociologists in recent years have recognized that one of the most fundamental transformations in Europe that led to the modern world was the development of associative activity—the formation of private clubs, where groups of individuals

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met to share pastimes without the interference of the state. In the ancient world, sporting spectacles were controlled entirely by the state, either as public religious festivals or expressions of largesse on the part of rulers (bread and circuses). In medieval Europe, sport meant either hunting or jousting or other forms of militaristic pastimes undertaken by the ruling class—a private affair for the privileged. The state offered little in the way of public entertainment and severely restricted the ability of individuals to congregate. Public assembly without the permission of the ruler or state could mean only one thing: rebellion. Kings and princes licensed certain forms of association, such as the guilds that monopolized trade, but these privileges carried obligations, usually in the form of taxes.

In this respect, English monarchs were like all other European rulers. This changed with Parliament's challenge to the authority of the king, which led to the Civil War of the 1640s and the beheading of King Charles in 1649. In a world where the monarch represented all aspects of the government and the state, this act changed forever the relationship between government and the people. The English republic was short lived, but when the monarchy was restored in 1660 it was under a vastly altered political dispensation. No longer did the government presume the right to regulate every aspect of private citizens' lives. No longer did the government see itself as the instigator of every public act or supervisor of every public affair. In short, the government withdrew from the total regulation of the public sphere, creating a gap into which a new public actor entered, the members' club. Perhaps the first such club in England was the Royal Society, an association of the leading scientists of the day,

including Isaac Newton, Christopher Wren, and Robert Boyle. As a club, they met regularly to discuss the latest scientific ideas, and while the “Royal” label signaled government support, it did not mean that they required government sanction for anything they chose to do.

Less august clubs soon flourished in the developing coffeehouse societies of London, where traders and lawyers might meet to do business, and journalists might meet to discuss the latest tittle-tattle. Journalism itself was a consequence of the withdrawal of the state, the abolition of censorship in 1695 creating an essentially free press. Freedom of the press went hand in hand with formation of clubs, since people needed to know where to find like-minded individuals with whom they could associate. In the early years of the eighteenth century there was an astonishing explosion of clubs in England and Scotland, catering to every kind of pursuit, from science to the arts, to innocent pleasures such as music and the study of history, to serious moral reform and religious revival, and more profanely, to eating, drinking, and most of the remaining deadly sins. None of these activities were new, but their organization within the framework of a club certainly was.

Thus clubs also emerged for the pursuit of pastimes such as horseracing, cricket, and golf. Such activities had been around for hundreds of years, but in the early eighteenth century clubs were starting to be organized to pursue these sports on a regular basis. Like other clubs, sporting clubs were established as much for the opportunity to mix socially with like-minded people as to play the game itself—a function that golf, probably more than any other sport, fulfills even today. The clubhouse after a round of golf has always been the perfect place to meet friends and

do business. The game itself, as a kind of duel between two players, might easily be seen as an evolution from medieval contests of strength and skill such as jousting. The prototypical team game was cricket.

Cricket, a bat-and-ball game involving two teams of eleven players, evolved at the beginning of the eighteenth century out of a village sport commonly played in the countryside around London. It became a tradition for the local gentry to participate, playing alongside their tenants and servants. Although social conservatives lamented the breakdown of class distinctions, there was typically a strict demarcation of the permitted roles of the players, and the yeoman farmer had to take care to keep his place. Yeomen “bowled”—that is, undertook the exhausting task of hurling the ball at the batsmen; gentlemen batted. As the game became fashionable among the dukes and earls of the royal court, it also became a vehicle for gambling—by the 1740s vast sums were being wagered on the outcome of a single game. Cricket became a small industry, with fields in London attracting large crowds to watch the nobility play, as well as drink beer and eat. The first club whose records survive, the Hambledon Club of Hampshire, kept a detailed history of games, wagers, and costs of food and drink consumed after the game. The Hambledon Club was founded around 1750 but was mainly active during the 1770s and 1780s, and was the arbiter of rules whenever disputes arose between teams. But Lord’s Cricket Club in London (founded 1787), closer to noble patronage, soon displaced Hambledon, and from the 1790s was the ultimate authority on the rules of cricket. This step is crucial in the formation of modern sports—the idea that the exponents of a sport can establish their own government, independent of the state, functioning as

a mini-state in its own right, with its own assembly, laws, executive powers, procedures for the settlement of disputes, and the power to tax and impose penalties. In cricket, this function was fulfilled by the Marylebone Cricket Club based at Lord's; in golf, it was the Royal and Ancient Golf Club (1754) in Edinburgh; in horseracing, it was the aristocratic Jockey Club (1752). To be sure, in their early days these organizations exercised only limited powers, but they formed the basis of organizations such as the International Olympic Committee (IOC) and the Fédération Internationale de Football Association (FIFA), which wield enormous power and prestige in the world today.

In English law, clubs and associations have no particular status. Anyone can form a club, for any legal purpose, without needing to obey any special rules. Unlike limited corporations, the law does not recognize a club as a legal person, and a member of a club that owes debts will soon discover that a club liability is in fact a personal liability. The absence of any legal status reflects the independence of such organizations from the control of the state. The fact that English law never interfered in the formation of associations by private citizens indicates how much freedom was left to individual initiative. By the end of the eighteenth century visitors to England became quite bored with the tendency of the English to proclaim their liberties and to declare that other nations lived in servitude. Contemporary Germans and Frenchmen often found this national pride quite puzzling, because they did not see what the English were free to do that they were not. But freedom of association did mean something. It was certainly not permitted elsewhere in Europe. In France any association required a license from the king, while in Germany and Austria absolutist rulers tended to interfere in

every aspect of private life. In revolutionary America, by contrast, the colonists sought independence in order to preserve their English liberties, not least the freedom of association guaranteed by the First Amendment.

The development of modern sports is a curious by-product of these politics. In nineteenth-century England there was an explosion of sporting organizations. Private schools such as Eton, Rugby, and Harrow played an important role, mostly through the initiative of the boys themselves, who not only played the established game of cricket in the summer, but led the development of football games. Having played these games at school and university, they formed clubs in the towns and cities and were soon being emulated by enthusiasts from all levels of society—there was nothing to stop workingmen from forming a cricket or football club. Similarly in the United States, private associations, notably the Knickerbocker Club of New York, led the formation of modern baseball, while university students from Harvard, Princeton, and Yale created American football and a social worker from the YMCA created basketball. The fountainhead of this creativity was the plethora of clubs created by Americans, largely in pursuit of their leisure.

France and Germany, by contrast, made only limited contributions to the development of modern sport. In France, the absolutism of the monarch was followed by the Napoleonic legal code, which included a law that no private association of more than twenty members could be formed without formal permission from the state. The purpose of this law was to suppress the potential for revolutionary agitation—the effect was to suppress initiative. Even for a sport such as cycling, in which the French produced more innovations and showed more interest than



almost any other, the first clubs were created in England. By the latter half of the nineteenth century clubs such as the Racing Club and Stade Française finally established themselves, but by this time the British and Americans had already produced a menagerie of sporting associations. In Baron Pierre de Coubertin, the man who revived the Olympic Games, France produced one of the greatest administrators in the history of sport. But throughout his career he looked primarily to English models and advocated English sporting ideals. When the law prohibiting private associations was finally repealed in 1901, there was an explosion of sporting activity in France, but apart from cycling the sports they adopted were largely those created in England, notably rugby football and association football (soccer).

The evolution of modern sports in Germany is also strikingly influenced by politics. The father of modern sport in Germany was Friedrich Ludwig Jahn, a German nationalist who witnessed the defeat of the Prussian army by Napoleon at the battle of Jena in 1806 and attributed it to the lack of fitness of the Germans. To rectify this weakness he founded the Turnen movement, a gymnastic association that spawned clubs all over the German states. These clubs associated gymnastic fitness with preparation for war and the unification of Germany into a single state. Jahn introduced new gymnastic exercises such as the parallel bars and horse, but his intentions were as much political as sporting. Following the defeat of Napoleon, the Turnen movement was suppressed by the Austrian chancellor Metternich, who feared that it might challenge the supremacy of the Austrian emperor. With no freedom of association, Germans had no right to form clubs of any kind. In 1848 a wave of revolutionary activity spread

across Europe, and in Germany a national convention was established to create a liberal political regime. The aged Jahn was feted as progenitor of the revolutionary movement, and his clubs were revived all over the German lands. The revolution, however, failed, and many of the Turnen movement activists went into exile to the United States. In the latter half of the nineteenth century Turnen clubs were established all across America, and Abraham Lincoln's bodyguard was made up of German gymnasts. The Turnen movement also attracted some interest in France, and gymnastics was largely promoted by the state as a means for ensuring military readiness. Such motives differed significantly from those of an anglophile such as de Coubertin.

Sporting clubs finally achieved political legitimacy in the 1860s as Germany moved toward unification, but they always retained their strong political flavor. There developed a socialist sporting movement aimed at creating political consciousness through sport, while the state attempted to suppress such activities. During the Nazi period all sporting activities were absorbed into the Nazi Party itself—for the purposes of molding the master race. In the postwar era sporting clubs developed into a kind of social service, funded by the state and provided for all citizens, offering the possibility for participation in all sports. Every community in Germany has its state-funded *Turnverein*, and these associations are the most important providers of sports for children. Similarly in France the concern of the state to ensure that its adult males were ready for military action has evolved into state provision of sporting facilities for all throughout the country.

By now it should be apparent that the development of modern sports went hand in hand with social and political

ideals and objectives. For the English, the sports whose rules they laid down were deemed to represent above all the nature of the English character. In 1851, the Reverend James Pycroft, writing the first history of the game, declared, "The game of Cricket, philosophically considered, is a standing panegyric on the English character: none but an orderly and sensible race would so amuse themselves." This fact, along with the tedium that most foreigners associate with the game, helps to explain why it did not spread to most countries. While cricket clubs were established across Europe in the nineteenth century, and while it was the most popular game in the United States until the end of the 1850s (the first ever international cricket match was played between the United States and Canada in 1840), most non-English people balked at playing a game that was so identified with being British. Except, of course, for the colonies of the British Empire. Here cricket thrived, either because colonists aspired to prove their ties to the mother country, or because indigenous peoples wanted to prove themselves against their colonial masters. To this day cricket thrives in the former empire—Australia, India, Pakistan, South Africa, Sri Lanka, New Zealand, and islands of the Caribbean that were under British rule play and watch the game enthusiastically.

Baseball also experienced mixed fortunes in its attempts to spread itself around the globe. We have already met Al Spalding, one of the first professional baseball players, later manager and general sports impresario. To spread the game, he undertook two international tours, one to Britain in 1874 and a celebrated tour around the globe in 1888. Another global tour was organized in 1911. Spalding wanted to persuade the British to take up the game,

but they were never likely to forsake cricket. He had a little success in Australia, none in Europe, but he ignored the biggest adopter of the game abroad. Japan looked abroad to acquire modern skills following the forced opening of the country by Commodore Perry. Shipbuilding was copied from the British, the army from the Germans, the education system from the French, and physical education from the Americans. Baseball was introduced by Horace Wilson, a missionary working at the University of Tokyo, during the 1870s and became firmly established as a national sport when a Japanese college team defeated the Yokohama Athletic Club, made up of expatriate Americans, in 1896. Baseball also spread into those parts of the Caribbean that were under American influence, most notably Cuba, where the game was played from the 1860s onwards.

The sport that has been most successful at spreading around the world is soccer. It is more adaptable than most, playable with almost no equipment and in almost any weather, in contrast to cricket and baseball, which require both equipment and dry conditions. Soccer also benefited from being seen as not too closely tied to the country from which it originated. While the foundation of the Football Association in London in 1863 established the rules by which the game is played more or less unchanged to the present day, most cultures have a tradition of kicking balls, and there are many claims of priority (the Chinese, for instance, can identify their own version of football played more than two thousand years ago, while the Italians rechristened the game *calcio* after the Florentine ball game played in the sixteenth century). During the late nineteenth century, when Britain dominated international trade and commerce, and British citizens were

present in all corners of the globe, doing business and playing their sports in their leisure time, local bystanders quickly took up soccer as a game that they could play in their own way and adapt to their own style. Often children of the European elites who had been educated in England took back a soccer ball to their own country and started a club (such was the case, for instance, in Switzerland and Portugal). In other countries local players took over clubs founded by the English (these clubs often retain their original English names, for example, the Grasshoppers of Zurich, AC Milan, and Athletic de Bilbao—rather than the Spanish *Atlético*). In South America, which had very close commercial ties with Britain, soccer rapidly spread among the elites of Argentina, Uruguay, and Brazil. Moreover, once the game became established, English teams were regularly invited to tour—not only in Europe but also to Buenos Aires and Rio de Janeiro. Again, the names of South American teams such as the Corinthians and Newell's Old Boys betray their British influence.

Notwithstanding these influences, each country developed its own style of play and in this way made the game their own, perhaps most gloriously demonstrated by the world-beating teams produced by Brazil. The fact that soccer could be molded to local styles and customs gave it a universal appeal that would have been impossible for a sport as English as cricket or as American as baseball. Enough countries played the sport by 1904 for the creation of an international association (FIFA) to organize games and maintain a common set of rules. The British were unenthusiastic about FIFA, and hence much of the early development of the organization took place without British influence, furthering the sense of a truly international game.

If clubs are the basic unit of modern sports, the relationship between competing clubs defines the organizational structure of any sport and its commercial possibilities. Modern sports were not created with business in mind—they were invented as a way for men, usually well-to-do men, to socialize. Sporting contests were essentially an excuse for conviviality. However, these contests soon attracted spectators, and once spectators were present, the opportunity to do business arose. In the eighteenth century, commercial opportunities were created by the desire of participants and spectators to gamble on the outcome of a game. As cricket matches started to draw fashionable crowds, opportunities to sell food, drink, and other necessities also emerged, and before long entrepreneurs went the whole hog and staged games, paid the players, and charged for entry.

Religion, formally or informally, goes hand in hand with sport; for this reason commercialism in sport has always been considered profane, and throughout modern history there have been attempts to suppress the association of sports with commercialism. Early modern sports in Britain and America were created largely as a leisure activity for the upwardly mobile. Having already acquired a fortune, such people tended to frown on commercial activities. They preferred to think they were motivated by the challenge and by the social aspect of sport. Engaging in sport was the ultimate statement about freedom—including freedom from commercial constraints—hence the desire to keep money out of sport. This creed reached its apotheosis in Victorian England, where the pursuit of money came to be seen as the ultimate sin. However, similar attitudes were to be found among the members of the Knickerbocker Club in New York. When promoters

started to see an opportunity for making a buck by organizing professional baseball, the gentlemen of the fashionable New York clubs recoiled in horror. Amateurs and professionals went their own ways, and as it turned out professional baseball was a great success.

The progenitor of all modern sports leagues was the National League of baseball created by William Hulbert in 1876. Freed from the interference of the amateur gentlemen, Hulbert created a business model that essentially survives today in the American major leagues. The model relies on cooperation between independent franchises, each of which is granted a local monopoly, an incentive to promote the game in the locality. Franchise owners agree collectively on policies that promote league interests so long as they also promote the franchise's interests—these policies revolve around ways to hold down players' wages and limit competition for the acquisition of new talent. Operating as a closed system, the league forces each team to recognize its dependence on the commercial well-being of the other teams. The National League brought credibility to baseball at a time when it was in danger of losing popularity because of gambling, match fixing, and frequent cancellation of games. By creating a stable business enterprise, in which every team owner possessed a significant stake, Hulbert invented a sporting organization that became synonymous with the American way of life and survives today in the form of Major League Baseball. Hulbert's ideas and principles were largely copied by other successful sports leagues such as the National Football League (NFL) and the National Basketball Association (NBA).

Outside of the American major leagues, the business model of sport was designed largely to minimize profit

opportunities and to keep sport free of commercial motives. This is clearly demonstrated in the modern Olympic Games, which until 1980 barred professional athletes from competing. The Olympic ideal, as viewed by Baron de Coubertin, relied on athletes motivated purely by glory. Sport, properly understood, existed on a higher plane than mere commerce. De Coubertin was enormously influenced by what he understood to be the British model of sport. In Britain, the development of modern sports was largely led by aristocrats and the emerging middle class. Membership in a sporting club was a status symbol—much like belonging to a prestigious golf club today—and one way to maintain status was to exclude poorer members of society by requiring membership fees and even by scheduling games at times when working people would not be able to attend. The ultimate symbol of respectability in Victorian Britain was to be a man of leisure and to have no need to work. In cricket this snobbery manifested itself by dividing participants into “gentlemen”—those who played for the love of the game, and “players”—those who required a wage to be able to play. Professionals were needed since gentlemen in general liked only to bat. In soccer, however, the gentlemen amateurs saw no need to mix with professionals at all, and in the original rules of the Football Association only amateurs were allowed to play.

As soccer’s popularity spread, however, entrepreneurs saw the chance to make money by hiring the best players and charging spectators to watch, much in the way the professional teams had emerged in baseball. The same conflict between amateurs and professionals arose, but the soccer authorities ended up taking a very different route, thanks to the diplomacy of Charles Alcock. Rather than



going their separate ways, as in baseball, the amateurs agreed to a compromise with the professionals—their right to play the game was recognized as long as the rules of conduct remained under the control of the Football Association (FA), set up in 1863 to promote the game, and in those days dominated by amateurs.

The practical consequence of this compromise was that the soccer world has been governed ever since by national and international committees that legislate every aspect of the game, including the professional game. These governments have the power to tax the professional leagues in order to subsidize the development of the game elsewhere, something that has been an important factor in the spread of soccer. The governing bodies have also requisitioned the employees of the professional clubs on a regular basis to participate in international tournaments such as the World Cup.

But the gentlemen amateurs also imposed regulations on the operation of professional soccer clubs that restricted their capacity to make money. Just as in America, entrepreneurs recognized the opportunity to make money once soccer became popular, but in England the FA imposed rules that prevented owners from paying themselves large dividends out of company profits, and even forbade the directors of soccer clubs from paying themselves a salary. Professional soccer in this way became essentially a “not-for-profit” activity, with all profits being plowed back into the purchase of players to improve the performance of the team. Moreover, with profit virtually excluded as a motive for owning a soccer club, the game attracted wealthy individuals who saw ownership as a way to build their reputation in the local community by investing in the club’s success. The virtual absence of the

profit motive had another significant effect, on the rules of competition. The first professional soccer league, the Football League, was founded in 1888, influenced to a significant degree by the precedent of baseball's National League. However, the Football League wanted to embrace as many teams as possible. Instead of limiting membership to a fixed number of franchises, the league developed a system to permit all eligible professional clubs to participate and have a chance to rise to the top: the promotion and relegation system. As the number of teams wanting to participate in the Football League expanded, it created new divisions, and adopted the rule that at the end of each season the worst-performing teams would be sent down a division (relegation) and be replaced by the best-performing teams from below. In this way, every professional team, however lowly, knows that one day it might compete at the highest level, while even the mightiest champion knows that one day it might fall into a lower division. These rules have implications for the commercial operation of clubs.

Through FIFA, the organizational system of English soccer spread to Europe and the rest of the world. Outside of the United States, soccer is almost everywhere organized along the lines originally developed in England. Moreover, these organizational principles have spread to other sports. For example, the system of league organization in European basketball bears a closer resemblance to the soccer model than it does to the structure of basketball in the United States. Even in the United States, commercial motives are restrained to a significant degree in college sports. Varsity sports in the United States can trace their roots back to the games played in British schools

and universities, and the same principles of amateurism have been retained by the National Collegiate Athletic Association (NCAA).

In recent decades the amateur model has come under increasing pressure. The advent of television created huge audiences and immensely valuable broadcast rights across all the major sports. Within the framework of professional for-profit sport, these pressures have been assimilated in ways typical of any business—through adaptation to the needs of the broadcasters and through competition to provide a spectacle that is as attractive as possible to those who pay to watch. Competition has also fueled increasing rewards for those who play at the highest level. For sports influenced significantly by the principles of amateurism, however, the compromises have been uneasy. Only in the 1980s did the Olympic movement start to relax its rules against professionalism. Over the years the Olympics have become a lucrative business, undermining the image of the games as a festival of fellowship and goodwill. The NCAA in the United States has maintained its ban on payment to players while generating billions of dollars in broadcast revenue, leading to conduct on the part of colleges and coaches that often seems unfair and even corrupt. Even in professional sports like soccer, the organizational structures created in the spirit of open competition have come under pressure. In a world where relegation from a top division can cost tens of millions of dollars, the competition to avoid the drop—both legal and illegal—threatens to undermine the health of the sport. As new generations of owners and managers enter the field, attracted by the commercial possibilities of popular sports, there is pressure for reform in the direction of a more

commercial outlook. In many cases these pressures have given rise to a heated debate over the “soul” of sport, and its proper place in the modern world.

Modern sports are an essential feature of modern societies. This chapter has outlined how these modern sports emerged out of civil societies characterized by freedom of association. This background gave rise to an organizational model involving the alliance of independent clubs within national and international federations, built largely on amateur, not-for-profit principles. Two important variants have emerged alongside this model. First, in many countries, especially where freedom of association has been limited, the state has taken a leading role in organizing and funding sport, often with specific goals in mind such as military preparedness or entertainment for the masses. Second, a purely commercially oriented form of professional sport, such as Major League Baseball, emerged in the United States and has spread to some other countries. Each of these variants has been influenced by broadcast technologies, to the point where the viability of traditional models is increasingly coming under question.

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