

Sports in the tension field of society, economy and the media: A comparison between North American and European models of sport

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In the (North) American *society* sports is considered as an industry geared towards sport events with professional players and money-making, intercollegiate sports, and commercial sport (for individual consumption and sport practice). In most European societies, sport for all, non-profit organisations and voluntary work, and sometimes state regulation in sport, are significant even though commercial sport and professional sport shows have an increasing importance since the 1980s. As a consequence, the North American version of sports economics focuses on issues such as privately-financed professional and elite sports, the labour market for talents and racial discrimination, using the main tools of mainstream microeconomics and a number of sample studies, data bases, microeconomic modelling and econometrics; non-profit sport is basically unheeded in the American sports economics literature as well as any sort of critical assessment. On the other hand, the economics of sports started up in Europe with studying free and/or subsidised mass sports (for all) in a context of less developed professional sports (than in America). Sport participation, amateur sport, sport accounting, public finance in sport, management of non-profit associations came to the fore while standard economics was completed with some inputs from sociology, political economy, institutional economics, management science, and somewhat heterodox approaches (compared to American mainstream economics).

Regarding the sports *economy*, its major part in North America is made up of the so-called sports industry (or business) which basically refers to sport events and professional sports and, to some extent, collegiate sports (commercial sport is left to management science and case studies). A typical feature of the American sports industry is to be strongly organised and regulated in the so-called 'closed league' system or model (Andreff, 2007) in which clubs are assumed to be profit maximising: salary cap, rookie draft, luxury tax, revenue sharing, collective bargaining between club owners and unionised free agents, horizontal team mobility through franchise relocation, emergence of competing leagues in a same sport, antitrust exemption for leagues that are cartelised monopolies.

In Europe, the overall sports economy is usually divided into 'non commercial' sport (even though non-profit associations are increasingly involved into trade and commerce), the sports goods industry and commercial sport that respond to household consumption of sporting goods and services, and the sports industry (events and professional sports). The sports goods industry is the less analysed area so far (see Andreff, 2006a) but, just like commercial sport and household consumption, it is increasingly studied, namely for the sake of elaborating on a national accounting system of the sports economy and measuring their impact on overall employment – Germany and then France probably are the countries ahead on this path (from Weber et al., 1995, to Meyer et al., 2000, and Belloc, 2002, Crosnier, 2003, Andreff 2006b).

The economics of non-profit sport associations and its impact on the overall economy (its share in GDP) are also increasingly scrutinised, as well as their management and governance, and the supply of voluntary work to sport activity (Andreff, 2006c). The industry of professional sports and events is based on the 'open league' model of organisation in Europe in which clubs are assumed to be utility (or win) maximising: usually neither salary cap nor rookie draft, a deregulated labour market for talents (since Bosman case), revenue sharing is contested by big clubs, players unions are weak (compared to America), vertical team mobility through a promotion-relegation system, no competing league in a same sport, exposed to the enforcement of the European anti-monopoly policy (despite a so-called 'sport exception').

The only major convergence between the North American and European models of sport pertains to their relationships with the *media* – basically with TV channels – and, consequently, to the financing structure of (professional) sports which converge toward the MCMMG finance model (media, corporations, merchandising, markets, global, see Andreff & Staudohar, 2000) on both sides of the Atlantic. In both cases, sport is becoming more TV addicted and TV dependent, although the share of gate receipts, merchandising and naming is still higher in American sports than in European sports. One significant difference is the media (and therefore financial) impact of European competitions (ex.: the football Champions League) on the uneven economic strengths between clubs and an increasing competitive imbalance of domestic championships (Andreff & Bourg, 2006) while major European professional sports are less equipped (with regulations) to promote a better competitive balance than American sports, and this is becoming a big concern for European sport authorities (ex.: UEFA) facing big clubs' economic power.

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