

CLEANING UP WORLD SOCCER GOVERNANCE

World soccer's massive corruption and governance scandal which broke out at the end of May 2015, the worst in the 111-year history of global soccer body FIFA, has highlighted fundamental political and structural issues that go far beyond the financial corruption focus of US and Swiss investigations and the group's feeble attempts at reform. The author argues that at the core of world soccer's problems there is a long-standing and entrenched system of patronage, an ungoverned relationship between sports and politics, the influence of Middle Eastern autocrats, and a skewed debate about the integrity of the 2022 Qatari World Cup bid.

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Fédération Internationale de Football Association (FIFA) President Sepp Blatter has used his last months in office to ensure that proposed reform of the troubled world soccer body would address widespread concern about financial corruption and lack of transparency and accountability, but keep the two pillars of the group's wider malaise intact: a patronage system that secures FIFA administrators' sway over a majority of their financially dependent members and an incestuous, uncontrolled bond with often-autocratic political elites.

In a farcical news conference in July that highlighted the FIFA president's strained relationship with the media, Blatter made clear that his plans for reform would not tackle the problems that are at the core of the group's governance crisis. Blatter's proposed reforms include establishing term limits for membership of FIFA's executive committee, independent integrity checks on committee members, election of executive committee members by the 209-member general assembly rather than by soccer's six regional confederations, and disclosure of FIFA compensation to committee members. "With this," Blatter said, "I think we are on the right track with improved governance and greater accountability (...) my responsibility and mission is to make sure by the end of February when I come to the end of my career, I can say in FIFA we have started again the reform and have rebuilt the reputation of FIFA."¹

To be sure, the reforms, which Blatter had rejected prior to the announcement in May of separate investigations into FIFA's affairs by US and Swiss authorities and the dramatic arrest of seven FIFA executives on the eve of the group's annual congress in Switzerland, go some way to enhancing transparency in what is a secretive organization that had acted as if it were a law unto itself. The shortcomings of the proposed reforms become evident, however, when analyzing the impact of the decision to have the FIFA congress elect the executive committee in the future.

FIFA doles out millions of dollars annually to member associations, particularly in developing nations that are dependent on those funds to build badly needed soccer infrastructure such as stadiums and administrative offices and to develop their country's soccer prowess.² Blatter and his administrators have at times been willing to be less than stringent in ensuring that donated funds were spent correctly.³

1 "Extraordinary FIFA Executive Committee Meeting – Press Conference," *YouTube*, 20 July 2015, <https://www.youtube.com/watch?v=PbYAoxvIZmU>

2 "Facts and Figures," *FIFA.com*, <http://www.fifa.com/development/facts-and-figures/index.html>

3 Thailand and Nepal rank prominently among numerous examples where FIFA oversight has often at best been nominal. See for example: James M. Dorsey, "Investigation of Thai soccer boss puts FIFA's anti-corruption campaign to the test," *The Turbulent World of Middle East Soccer*, 19 September 2011, <http://mideastsoccer.blogspot.sg/2011/09/investigation-of-thai-soccer-boss-puts.html/>; James M. Dorsey, "AFC's Salman re-elected amid renewed corruption and governance questions," *The Turbulent World of Middle East Soccer*, 2 May 2015, <http://mideastsoccer.blogspot.sg/2015/05/afcs-salman-re-elected-amid-renewed.html>

As a result, heads of national associations, grateful for assistance for which they credit Blatter, have been weary of voting against his wishes in annual congresses. Blatter's proposed reforms do nothing to prevent his successor from inheriting what amounts to a system of patronage. Little short of parking development funds in a separate, independently administered entity will ensure destruction of a patronage system that lends itself to corruption and undermines FIFA's governance and internal democracy.

Widening the Net

Destroying the patronage system is simple, clear-cut, and exclusively dependent on the organizational will to act, something Blatter has so far studiously avoided. More likely than not however, addressing patronage, much like the reforms Blatter has embraced, will be imposed on FIFA by the ongoing Swiss and US investigations. The Swiss enquiry is more narrowly focused

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on the integrity of the winning bids for the 2018 and 2022 World Cups.⁴ The US investigation potentially could widen beyond its current focus on the Americas, a region that falls under its immediate jurisdiction because many of the indicted are either US nationals or nominal residents who hold green cards, and the fact that the Confederation of North, Central American, and Caribbean Association Football (CONCACAF) is legally incorporated in the US.⁵

The extradition to the US in July of FIFA Vice-President Jeffrey Webb – the only executive in Switzerland to voluntarily agree to his transfer to New York – constitutes the US Justice Department's first opportunity to widen its investigation.⁶ This first opportunity will depend on whether Webb agrees to cooperate with US authorities and what information he is willing to disclose. But even without Webb, other defendants like former FIFA executive committee member Jack Warner who have yet to be extradited to the US are likely to want to use their knowledge as leverage in their judicial proceedings. US investigators moreover are likely to be

4 “The Office of the Attorney General of Switzerland seizes documents at FIFA,” *Federal Office of Justice*, 26 May 2015, <https://www.admin.ch/gov/en/start/documentation/media-releases.msg-id-57391.html>

5 “Nine FIFA Officials and Five Corporate Executives Indicted for Racketeering Conspiracy and Corruption,” *The United States Department of Justice*, 27 May 2015, <http://www.justice.gov/opa/pr/nine-fifa-officials-and-five-corporate-executives-indicted-racketeering-conspiracy-and>

6 “FIFA official agrees to extradition to USA,” *Federal Office of Justice*, 10 July 2015, <https://www.bj.admin.ch/bj/en/home/aktuell/news/2015/2015-07-10.html>

able to expand their investigation by looking into the dealings of Mohammed Bin Hammam, who is believed to be among the score of unidentified co-conspirators in the US indictments. A Qatari national who served on FIFA's executive committee and as president of the Asian Football Confederation (AFC), Bin Hammam was banned from involvement in professional soccer for life by FIFA in 2012 on charges of having bought votes in his failed 2011 campaign to unseat Blatter in the group's presidential elections.

A cache of documents believed to have been leaked off the AFC's servers and that was made public by *The Sunday Times* suggests that Bin Hammam spent millions of dollars to ensure that FIFA's executive committee would vote in favor of the Qatari bid.⁷ Recipients of those payments include executives, like disgraced FIFA executive member Jack Warner, who are among those already indicted in the US. US jurisdiction would further be established by the fact that all US dollar-denominated bank transfers are processed in New York.⁸ *The Sunday Times* documents are also certain to figure in the Swiss investigation.

An Incestuous Relationship

The Bin Hammam affair that is at the core of the multiple scandals that have rocked FIFA and global soccer governance, as well as the controversy about the integrity of Qatar's successful World Cup bid, feed into the second fundamental problem that Blatter hopes to leave unaddressed: the political corruption embedded in the incestuous relationship between politics and sports in general and soccer in particular. If anything it is political corruption that has enabled financial wrongdoing. Yet, the US and Swiss investigations are focused – in part for legal reasons – on the financial rather than the political corruption.

International Olympic Committee (IOC) President Thomas Bach in a historic statement last September acknowledged that sports in general is entangled with politics. "In the past, some have said that sport has nothing to do with politics, or they have said that sport has nothing to do with money or business. And this is just an attitude which is wrong and which we cannot afford anymore," Bach said. He said politicians and business leaders needed to respect the autonomy of sporting bodies or risk diminishing the positive influence of politics and business.⁹

7 "The FIFA Files: The Documents," *The Sunday Times*, 7 June 2014, http://www.thesundaytimes.co.uk/sto/news/uk_news/fifa/article1417206.ece

8 Heidi Blake and Jonathan Calvert, *The Ugly Game: The Qatari Plot to Buy the World Cup* (London: Simon & Shuster, 2015).

9 James M. Dorsey, "Reforming soccer governance: Tackling political corruption alongside financial wrongdoing," *The Turbulent World of Middle East Soccer*, 6 June 2015, <http://mideastsoccer.blogspot.sg/2015/06/reforming-soccer-governance-tackling.html>

That is unlikely to happen without restructuring the relationship between sports and politics to involve a system of governance, oversight, and monitoring. In the case of FIFA, that would have to involve all stakeholders including clubs, leagues, players, and fans in governance at all levels: clubs, national associations, and regional associations.

Bin Hammam, like his successor in FIFA and AFC Bahraini Sheikh Salman bin Ebrahim Al Khalifa, and Kuwaiti Sheikh Ahmad Al-Fahad Al-Sabah, Salman's protector, a recently elected FIFA executive member and one of international sport's most powerful men, symbolize the relationship between sports and politics, as well as soccer's affinity with autocracy. Men like Bin Hammam, Salman, and Ahmad are products of autocracies whose rise in international sports was further paved as far back as 1974. During that time FIFA threatened but failed to follow through on threats to sanction the AFC for its expulsion of Israel and Taiwan, in violation of the principle of a separation of sports from politics. FIFA's failure wrote Arab politics into the DNA of Asian soccer and helped shape global soccer's coziness with autocracy.¹⁰

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FIFA's and the AFC's refusal to enact principles enshrined in their charters has had far-reaching consequences over the years for global soccer governance, no more so since Bin Hammam became AFC president in 2002. Men like Bin Hammam, Salman, and Ahmad are imperious, ambitious, and have worked assiduously to concentrate power in their hands and sideline their critics clamoring for reform. Hailing from countries governed by absolutist, hereditary leaders, they have been accused of being willing to occupy their seats of power at whatever price with persistent allegations of bribery and vote buying in their electoral campaigns.

Ambition, corruption, and greed led to Bin Hammam's ultimate downfall. Salman continues to be dogged by allegations that he was involved in the arrest and human rights violations of scores of athletes and sports officials accused of having participated in mass anti-government protests in Bahrain in 2011.¹¹ Both men have consistently

¹⁰ James M. Dorsey, “Asian Football: A Cesspool of Government Interference, Struggles for Power, Corruption, and Greed,” *International Journal of History of Sport*, Vol. 32, No. 8 (April 2015), pp. 1001-15.

¹¹ Michael Casey, “Bahrain Soccer Stars Pay Price for Protesting,” *Bahrain Center for Human Rights*, 2011, <http://www.bahrainrights.org/en/node/4556>

denied any wrongdoing. Yet, their ascendancy on the global soccer stage, like that of Ahmad, reflected not only personal ambitions but also efforts by their home countries to exploit the world's most popular sport as a vehicle to polish tarnished images and project themselves as players within the international community.

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It also says much about the intertwining of sports and politics that is nowhere more prevalent than in the Middle East and North Africa, whose 13 national associations account for 28 percent of the AFC's 46 member associations.¹² As a result, the composition of the AFC's executive committee speaks volumes.

Six of the AFC executive committee's 21 members in the period from 2011 to 2015 hailed from the Middle East. They include Salman, a member of Bahrain's minority-Sunni Muslim ruling family; Prince Ali Bin Al Hussein, a half-brother of Jordan's King Abdullah who has emerged as a reformer and the only representative of an elite to have used his status to promote change; the United Arab Emirates' Yousuf Yaqoob Yousuf Al Serkal, who maintains close ties to his country's ruling elite; Sayyid Khalid Hamed Al Busaidi, a member of Oman's ruling family; Hafez Al Medlej, a member of the board of Saudi Arabia's tightly controlled soccer association, who made his career in the Kingdom's state-run media; and Susan Shalabi Molano, a member of the executive committee of the Palestine Football Association (PFA) that is closely aligned with the Palestinian Authority.

That number has risen to seven in the executive committee elected in April 2015, which includes Sheikh Salman and Shalabi Molano as well as Mohammed Khalfan Al Romaithi, head of the UAE soccer association and Deputy Commander in Chief of the Abu Dhabi police force, a law enforcement agency with a less than stellar human rights record. The committee also includes representatives of Kuwait, Lebanon, and Saudi Arabia, and the head of the Islamic Republic of Iran's Football Federation (IRIFF).¹³

If anyone has taken the Middle Eastern model of meshing politics and sports global, it is Ahmad – a prominent member of Kuwait's ruling family and former oil minister – who is a member of the IOC and heads the Olympic Council of Asia (OAC) and the Association of National Olympic Committees (ANOC). Like the AFC, nine of

¹² “Member Associations,” *The Asian Football Confederation (AFC)*, <http://www.the-afc.com/member-associationx>

¹³ “AFC Executive Committee,” *The Asian Football Confederation (AFC)*, <http://www.the-afc.com/afc-executive-committee>

the OAC's board members hail from the Middle East. The Kuwaiti, Bahraini, and Jordanian members belong to ruling families, while those from Syria and Lebanon, like their Thai and Pakistani counterparts, are military officers. Iran's representatives include a former oil minister who headed the country's Physical Education Organization, the state entity that exercises political control of sports, and the head of a state-owned soccer club.¹⁴

Author and journalist Mihir Bose puts his finger on the conceptual problem underlying FIFA reform by describing the group as a trade organization that severely limits freedom of its members and a governing body that has no regulatory power. Bose argues that FIFA can best be compared to the mother of soccer – the British Empire. “Indeed FIFA has huge similarities with how the British ruled India. The common perception is the British ruled all of India. They did not,” Bose concludes.¹⁵

A historian of British imperial rule, Bose notes that almost half of colonial India's territory and almost a quarter of its population was ruled by princes governing 680 autonomous states with their own laws and in some cases armed forces rather than the Empire. Bose draws the comparison that regional soccer confederations are the modern day equivalent of the princely states. “This has given Sepp Blatter the right to argue that all the huge corruption problems that have arisen have come in the confederations and not at FIFA headquarters in Zurich,” Bose argues.¹⁶

The solution to this state of affairs is a radical restructuring, according to Bose, borrowed from the fate of the princely Indian states in the framework of which issues of patronage and governance of the relationship between sports and politics could be addressed. Bose advocates integrating the regional confederations into FIFA in much the same way that the princely states became part of India.

In Bose's view this would involve not only parking development funds in an independent organization but also moving FIFA's commercial involvement into a separate entity that would be managed in accordance with international best practices.¹⁷

A Symbol of All That Is Wrong

Qatar has come to symbolize all that is wrong with soccer governance. Yet the debate about Qatar has been skewed with ulterior motives, sour grapes, envy, arrogance,

14 “The Olympic Council of Asia Executive Board,” *Olympic Council of Asia*, <http://www.ocasias.org/Council/ExeBoard.aspx>

15 Mihir Bose, “FIFA reform needs practical ideas not wild, stupid ones,” *Inside World Football*, 23 July 2015, <http://www.insideworldfootball.com/mihir-bose/17482-mihir-bose-fifa-reform-needs-practical-ideas-not-wild-stupid-ones>

16 Bose (2015).

17 Bose (2015).

prejudice, and bigotry often emerging as key drivers. The skewing of the debate often masks legitimate criticism of human and labor rights, the integrity of the Qatari bid, and which approaches are likely to produce the most beneficial results, including whether taking a moralist stand and depriving Qatar of its hosting rights should it be proven that it effectively bought the World Cup.

On the surface of it, evidence published by *The Sunday Times* leaves little doubt that Qatar and Bin Hammam wielded their financial muscle to ensure the Gulf State's bid would be successful. Qatar may have spent more on its bid than others, but corruption of soccer governance meant that many bidders over many years used financial and political muscle in their effort to secure the tournament's hosting rights.

“*Qatar has come to symbolize all that is wrong with soccer governance.*”

In an illustration of the corrupting influence of the ungoverned relationship between sports and politics, respected German weekly *Die Zeit* disclosed that a deal between the German and Saudi governments, coupled with investments by German corporates in South Korea and Thailand, ensured that Germany

won its 2006 hosting rights by one vote in 2000. *Die Zeit* reported that the government of then-Chancellor Gerhard Schröder complied with a request from the German Football Association to lift at short notice an embargo on weapons sales to Saudi Arabia and supply it with anti-tank rocket launchers in a bid to ensure that then-Saudi member of the FIFA executive committee Abdullah Al-Dabal would vote for Germany rather than Morocco. The paper revealed further that German companies such as Volkswagen, Daimler, and Bayer promised to significantly increase their investments in Thailand and South Korea to secure the votes of two other FIFA executive members.¹⁸

In a world in which a vast number of mega sports events leave debt and white elephants as their primary legacy, Qatar, irrespective of how it secured the World Cup, holds out the promise of hosting a tournament that sparks social and economic, if not political, change. A Qatari World Cup that produces change would be a far more valuable outcome than penalization, which would produce anger and frustration in a Muslim world that feels it is being discriminated against and stereotyped on multiple levels. Moreover, depriving Qatar of its hosting rights is not what will curb corruption; structural reform of soccer governance will. By the same token, any

¹⁸ Oliver Fritsch, “Die Verkauften WM-Turniere,” [The Sold WC Tournaments] *Die Zeit*, 4 June 2015, <http://www.zeit.de/sport/2015-06/chuck-blazer-fifa-fussball-weltmeisterschaft-2022>

hope that labor conditions in the Gulf can be changed would evaporate without the straightjacket of the World Cup.

The Qatar World Cup's potential of being an engine of change goes further than immediately meets the eye. It goes far beyond the likelihood that labor relations in the Gulf may fundamentally change. In fact, the debate about labor conditions in Qatar has already had potentially far-reaching consequences. It has breached Gulf States' absolute refusal to entertain domestic or foreign criticism with Qatar's engagement with human rights and trade union activists. That engagement has led to the adoption of standards for the employment of migrant labor by two Qatari institutions, the Qatar Foundation and the 2022 Supreme Committee for Delivery & Legacy, that are ultimately likely to be embedded in national legislation.¹⁹ It has also prompted all Gulf states to tinker with their labor regimes. Moreover, it has served as a feeder for similar pressure on the United Arab Emirates, where workers on a New York University campus as well as museums – including a branch of the Guggenheim and the Louvre – toil under similar conditions.²⁰

Ironically, pressure on Qatar and other Gulf states, as well as companies they have contracted by human rights and trade union activists, has been offset by the fact that their closest ally, the US, adopts a similar approach towards migrant labor – or what it terms “third country nationals.” These individuals are hired to service US military facilities in the region, including the forward headquarters of the US Central Command (CENTCOM) at the Al Udeid Air Base in Qatar and the US Fifth Fleet in Bahrain.

Third-country nationals are typically hired by private companies contracted by the US military to provide services and logistics ranging from construction, food preparation, entertainment, and firefighting to armed guard duty. The US in recent years has sought to update legislation covering third-country nationals, but its reform often falls short of measures being taken by Qatar in the wake of World Cup-related criticism. Qatar, for example, has adopted the principle of workers not paying for their recruitment, which seeks to break the hold of middlemen who charge absorbent fees leaving workers indebted for years. While enforcement of the measure has yet to be optimized, US legislation only bans “unreasonable” recruitment fees.

19 “QF Mandatory Standards of Migrant Workers' Welfare for Contractors & Sub-Contractors,” *Qatar Foundation*, 20 April 2013, <http://www.qf.org.qa/app/media/2379/>; “Workers' Standards,” *Supreme Committee for Delivery & Legacy*, February 2014, <http://www.sc.qa/en/delivery-and-legacy/workers-welfare>

20 James M. Dorsey, “Activists expand labour and human rights campaign beyond Qatar to include all Gulf states,” *The Turbulent World of Middle East Soccer*, 24 November 2014, <http://mideastsoccer.blogspot.sg/2014/11/activists-expand-labour-and-human.html>

Anthropologist and lawyer Darryl Li, in a lengthy analysis published by the Middle East Research and Information Project, concluded that a bill of rights adopted by the Pentagon that subjects wages, housing, and safety standards to local laws of the host country missed the mark:

These protections mean little in places such as Iraq and Afghanistan, where the minimum wage is below one dollar per hour. And Bahrain, Djibouti, and Qatar, for example, all host significant US military forces but have no private-sector minimum wage laws. Moreover, even this bill of rights lacks any clear enforcement mechanism: the rules are imposed by the Pentagon on contractors, but provide no clear basis for workers themselves to assert those rights in any court.²¹

US government attitudes towards third-country nationals is emblematic of double standards in the Qatar debate. The international community has been aware of abominable labor conditions in the Gulf for decades. Governments paid lip service to the need for change; multiple reports by human rights groups and independent media reporting had little impact. All of that changed only with Qatar's successful World Cup bid.

A Pandora's Box

To be sure, Qatari opponents of labor reform take heart from the fact that even the US fails to live up to its own standards by opportunistically adapting to Qatari labor practices. They are bolstered in their concern that Qatar's engagement with its critics threatens to open a Pandora's Box that could change the nature of Gulf society in far more radical ways that could affect the country's demography, and the political and civil rights associated with it.²²

Perhaps, the most consequential fallout to date of the awarding to Qatar of World Cup hosting rights and the focus on labor in its wake is the fact that it has sparked unprecedented debate about the region's identity and long-term approaches to its demographic deficit, including the thorny issue of naturalization. Nationals constitute a minority in at least three of the six states grouped in the Gulf Cooperation Council (GCC) – Saudi Arabia, Qatar, Kuwait, Bahrain, Oman, and the United Arab Emirates. The other states could see their citizenry become a minority over the next decade as their reliance on migrant labor increases.

Responding to concerns about the demographics of Qatar, the UAE, and Kuwait, the GCC members in which foreigners constitute a majority of the population,

21 Darryl Li, "Migrant Workers and the US Military in the Middle East," *Middle East Research and Information Project*, No. 275 (Summer 2015), <http://www.merip.org/mer/mer275/migrant-workers-us-military-middle-east>

22 Multiple interviews with the author between 2011 and 2015.

governments have lamented the decline of Arabic as the dominant language of business. To counter that, the GCC is considering ways of promoting the use of Arabic, particularly among youth who frequently are at least as comfortable if not more comfortable with English than with Arabic. One suggestion is the organization of Arabic language days. The proposal prompted Sultan Al Qassemi, a prominent UAE intellectual with a track record of broaching often-taboo subjects to quip on Twitter: “The Gulf States complain that not enough Arabic is spoken and host ‘Arabic language days’ but continue to refuse to naturalize young Arabs.”²³

“Depriving Qatar of its hosting rights is not what will curb corruption; structural reform of soccer governance will.”

Writing in 2013 in the *Gulf News*, Al Qassemi first sparked debate about the Gulf’s demographic deficit by noting that “the fear of naturalization is that Emiratis would lose their national identity; we are after all a shrinking minority in our own country. However, UAE national identity has proven to be more resilient and adaptive to the changing environment and times than some may believe.”²⁴

Al Qassemi argued that the UAE had already taken a cautious first step towards addressing the issue, by granting the offspring of mixed Emirati-non-Emirati nationals the right to citizenship. He noted further that the success of the US was in no small part due to the contribution of immigrants. “Perhaps it is time to consider a path to citizenship for them that will open the door to entrepreneurs, scientists, academics and other hardworking individuals who have come to support and care for the country as though it was their own,” Al Qassemi said.

Those are revolutionary words in one of the most conservative parts of the world. Without FIFA’s awarding of the World Cup to Qatar and Qatar’s subsequent engagement with its critics, debate in the region about the Gulf States’ most fundamental challenge would likely have been put off into the distant future. To be sure, change in the Gulf occurs at the pace of a snail. Cautious debate is one baby step, albeit a significant one. FIFA had little idea of the Pandora’s box it was opening with the awarding of the World Cup to Qatar. That fatal decision, no matter how flawed, has sparked cautious but inevitable change within the world of soccer as well as the Gulf.

²³ Sultan Al Qassemi’s twitter page, @SultanAlQassemi, <https://twitter.com/SultanAlQassemi/status/623118671037071361>

²⁴ James M. Dorsey, “Qatar: Perfecting the art of scoring own goals,” *The Turbulent World of Middle East Soccer*, 2 October 2013, <http://mideastsoccer.blogspot.sg/2013/10/qatar-perfecting-art-of-scoring-own.html>