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The Europeanisation of German Football

Alexander Brand and Arne Niemann

Introduction

Although “football” as a subject of interest has still a somewhat ‘exotic’ status in Political Science, there is a growing body of literature which tries to sketch out important political dimensions of the game. This tendency is more evident within the globalisation debates, where football is taken to be one of the most globalised phenomena (cf. e.g. Foer 2004). Some authors have also tried to establish a link between European integration and the development of football on the continent (cf. Missiroli 2002). In this chapter, we analyse the impact of European-level governance – the case law of the European Court of Justice and the Community’s competences in the area of competition policy – on German football. In the broader context, additional factors are considered which less clearly relate to the European integration process, such as the development of the Champions League or the emergence of transnational groupings like the G-14. Taken together, these processes add up to the ongoing ‘Europeanisation’ of German football.

The concept of Europeanisation

Research on Europeanisation has gradually increased since the mid-1990s and has developed into an academic growth industry over the last decade. While the term Europeanisation has been taken up by most (sub-)disciplines in the humanities and social sciences focusing on Europe, it is arguably in the area of political science scholarship dealing with European integration that the concept has been used most widely. In this latter field alone, the term Europeanisation is used in a number of different ways to describe a variety of phenomena and processes of change (cf. Olsen 2002). Most frequently Europeanisation is understood as the process of change in the domestic arena, in terms of policy substance and instruments, processes and politics as well as polity resulting from European integration or the European level of governance more generally (cf. e.g. Radaelli 2000: 3, Ladrech 1994: 69).

The current Europeanisation research agenda faces several challenges. These can be described and systematised along terminological, theoretical, methodological and empirical dimensions. This chapter mainly concentrates on the empirical one. Empirical work on Europeanisation has proliferated in recent years. An important set of questions revolves

around the instruments, institutions, actors and mechanisms that induce and resist change (and may explain national variation in responding to Europeanisation pressures). Our empirical analysis highlights a rather neglected aspect in the literature: the societal/trans-national dimension of Europeanisation. This dimension encapsulates two elements: (1) the *level and sphere* of change; (2) the type of *agency* generating or resisting change. Hence by societal/trans-national dimension we mean, on the one hand, the fact that regulation and jurisdiction from Brussels is likely to induce some adaptational pressure not only at the political level but also in societal contexts, e.g. the realm of sport, and for our purpose, football. On the other hand, to speak of a trans-national dimension of Europeanisation aims at capturing some trends, which can be traced in analysing how societal actors are either acting towards attempts of regulation by the EU (e.g. football associations and clubs after the Bosman ruling) or creating transnational spaces and institutions in Europe themselves (e.g. the UEFA-Champions League, the so-called ‘G14’) that in turn impact on the governance of football.¹

The Bosman Ruling and German football

Some important trends in German football during the last decade can be interpreted as symptoms of an ongoing Europeanisation. This is because a whole complex of such trends – the rapid influx of foreign-born players, various attempts to restrict their numbers as well as to promote young German talents, and the search for an new ‘transfer regime’ – has its roots in the seminal ‘Bosman ruling’ of the European Court of Justice (ECJ) in 1995. ‘Bosman’, in this regard, is not only the one legal case every football player and fan knows (Foster 2000: 39). The ruling and its antecedents, which have been described in detail elsewhere (cf. Croci 2001, Parrish 2003, Weatherill 2003), together with a relatively active role of the European Commission in the realm of sports during the 1990s also had a tremendous impact on German football.

The provisions in the Treaty establishing the European Community, secondary legislation, Community policies and decisions all had an increasing impact on sport throughout Europe in the last decade, although ‘sport’ has never been among the core competences of the EC/EU (Ducrey et al. 2003: 32). Traditionally, football in all its aspects

¹ At this point, however, it is also important to specify what we do *not* mean by ‘Europeanisation’. For instance, the asserted cross-cultural impact of prominent players in the sphere of football (cf. Head 2004) is not captured by our concept of Europeanisation. Neither are strictly ‘cultural’ aspects of football nor questions concerning the way it is being played (cf. Vasili 1994).

has traditionally been regulated by a set of autonomous, interrelated organisations: football clubs, national leagues and associations, several regional federations and one worldwide football federation (Crocì 2001: 2). During the 1990s, however, football came to be recognised as an economic activity by leading European institutions like the European Commission and the European Court of Justice, and thus as an activity, which had to be regulated like any other industry according to the rules of the Community.

The Bosman ruling of the ECJ in 1995 in its essence consisted of two general findings, which had been derived from EU law concerning the free movement of people within the European Union and competition law, albeit it only drew on the former. The two findings were: first, the traditional transfer system with transfer fees to be paid for out-of-contract players infringed upon the right of every European (worker) to move freely under Article 48 of the Treaty of Rome (TEC) and thus had to be abolished; and second, ‘nationality restrictions’ as a means to limit the number of foreign players in a football club were ruled illegal in so far as they discriminated against players from countries within the European Union (Foster 2000: 42).

Football in Germany has been affected by both aspects, although one could claim that the latter one has had a more ‘visible’ effect for the whole football community. Rendering illegal any general nationality restriction meant the abolishment of the so-called ‘3+2 rule’ which allowed a European team to field three foreign players and additionally two ‘assimilated players’ (foreign players who had played in the relevant country for at least five consecutive years). To abolish this rule and to open up the market for players from all other countries within the EU already had an in-built tendency to increase the number of foreign-born players in German football. The German Football Association (DFB), however, liberalised even further and expanded the right to play football in Germany without being considered a foreigner not only to EU residents (so-called *EU-Ausländer*) but to all players living within the 51 other member states of the European Football Association (UEFA). In fact, thus in German football after ‘Bosman’ the status of *EU-Ausländer* really meant *UEFA-Ausländer*, EU resident meant UEFA resident, but only concerning the two professional leagues.

How to account for this extension, which has been exceptional in Europe? One line of argumentation refers to the special socio-political situation in Germany after re-unification. From this perspective, the DFB and its leading actors were still influenced and impressed by the dramatic political changes in Europe and the “unification” of the continent that had taken place a few years before. They simply “did not want to erect new walls or barriers”, especially

towards national associations in Central and Eastern Europe, which had strong ties to the DFB.² In a similar vein, some actors were convinced that the ongoing process of European integration would render any differentiation between certain types of Europeans meaningless sooner or later.³ Although the extension may show, in the words of Dr. Theo Zwanziger, president of the DFB, that “football sometimes is more political than people think”⁴, there was also an element of pragmatic (and even visionary) thinking to it, because the decision taken by the DFB in the end prevented non-EU European footballers from taking legal action against this discrimination.⁵ Another interpretation is that this extension created a bigger market for German football clubs to sign players, especially players from Central and Eastern Europe, which for the most part was cost-saving in the short-run. Given the fact that after ‘Bosman’ a central source of financing for clubs – transfer fees for out-of-contract players – ceased to exist, and that German clubs were (and are) subject to a relatively strict licensing procedure, which means they had (and have) to pursue sound economic policies, opening up the market especially towards Eastern Europe also had a ‘compensation effect’ for German football clubs, since signing players from Poland or the Balkans was in general less expensive.⁶ Both explanations – the socio-political climate as well as an interest of the clubs to improve their position among European competitors – can be seen as complementary rather than mutually exclusive.

It is hardly surprising that this decision led to a surge of players coming from all over Europe to Germany. Table 1 points to the increase in foreign players, especially UEFA-*Ausländer*, in the First Bundesliga.

Season	Players Bundesliga	German-born	Share (%)	“UEFA residents”	Share (%)	“non-UEFA residents”	Share (%)
1992/93	394	326	82,7	48	12,2	20	5,1
1993/94	415	332	80,0	53	12,8	30	7,2
1994/95	424	341	80,4	55	13,0	28	6,6
1995/96	428	346	80,8	60	14,0	22	5,1
1996/97	457	345	75,5	96	21,0	16	3,5

² Interview with the managing president of the German Football Association (DFB), Dr. Theo Zwanziger.

³ Interview with the president of the DFB, Gerhard Mayer-Vorfelder.

⁴ Interview with the managing president of the DFB, Dr. Theo Zwanziger.

⁵ Currently, the ECJ is preparing a ruling concerning the discrimination of a European but non-EU professional player, who is seemingly restricted from playing by a nationality clause in Spain. Whether there will be a ‘Simutenkow ruling’ and whether this will expand the ‘Bosman ruling’ is not clear right now. See *Der Spiegel*, 12 January 2005.

⁶ See *Frankfurter Allgemeine Zeitung*, 26 June 2004.

1997/98	444	293	66,0	128	28,8	23	5,2
1998/99	461	295	64,0	133	28,9	33	7,2
1999/00	440	270	61,4	128	29,1	42	9,5
2000/01	475	274	57,7	160	33,7	41	8,6
2001/02	469	248	52,9	167	35,6	54	11,5
2002/03	467	231	49,5	177	37,9	59	12,6
2003/04	469	237	50,5	168	35,8	64	13,6
2004/05	429*	208	48,5	166	38,7	55	12,8
<i>Increase in size 92-04</i>	9%	-36,2%		246%		175%	
<i>Increase in size since Bosman</i>	~0%	-39,9%		176,6%		150%	

Table 1: Number of players fielded in the German 1.Bundesliga (1992-2004, *=as of December 2004), split in German-born players, UEFA residents, and players from other continents (“Non-UEFA residents”) and their shares of the total number; increase of the number of players within these groups from 1992 to 2004 and from 1995 to 2004 (since the ‘Bosman ruling’ of December 1995 and the decision of the DFB only took effect in 1996, data from 1995 has been taken as reference point). Data obtained from IMP AG Ismaning/Germany.

At the beginning of the 1990s – before ‘Bosman’ – the shares of the respective groups (German born-players, UEFA residents and non-UEFA residents) exhibit a fairly stable pattern. After ‘Bosman’ and the decision of the DFB to count all players from UEFA member-states as EU residents, we can easily detect some important changes in the composition of players in the Bundesliga. Firstly, the share of German-born players has steadily decreased up to today’s share of less than 50%. Secondly, the share of UEFA residents as well as the share of players from other continents has substantially increased, although the share of non-UEFA residents remains relatively small compared to that of UEFA residents. Although the decision to open the market for all Europeans has been rather liberal, the DFB did not fully liberalise, because the number of players a professional club could field from other continents, remained limited to three, since 2001 for reasons of international competitiveness it has been lifted to five.⁷ However, in October 2004, the German Football League (DFL) took the decision to cut back the quota again: to four players in 2005/06, and to three players in 2006/07.

The increase in foreign players in national leagues has been just one of the presumed consequences of the ‘Bosman ruling’. In the German case, especially with regard to its

⁷ See *Kicker*, 02 July 2001

implementation through the DFB, this aspect has gained much prominence, perhaps even more than the presumed dramatic rise in transfer fees or the rise in salaries, because German clubs often could not keep up with their English, Italian or Spanish competitors.⁸ Moreover, the rise in transfer fees and salaries that took place also in Germany during the 1990s can be explained only partially with reference to ‘Bosman’, since the income of the clubs also exploded in this period, mainly due to the returns from the sale of TV- and broadcasting rights (Kipker 2002: 11).⁹ In contrast, the consequences of ‘Bosman’ concerning the share of German-born players in German football, especially concerning the impact for German talents and the German national team have been widely discussed. One could, for instance, argue that other football associations and leagues in Europe did not expand their definition of “EU resident” precisely because they wanted to restrict the influx of foreign players, thereby protecting young players which could be eligible for national teams. In Germany, ‘Bosman’ and its extension to all Europeans arguably led to problems for the development of young players. As Gerhard Mayer-Vorfelder, president of the DFB, recently put it: “Our decision was just to treat all citizens of UEFA member-countries like EU citizens. I now believe that this decision was wrong. [...] How can we expect young German forwards to develop in the Bundesliga, if seventy per cent of all forwards are foreign-born. And it is wrong that the best players will always prevail.”¹⁰

If one interprets the shortage of young and talented German football players, which became obvious at the end of the 1990s, either as a consequence of ‘Bosman’ and its implementation in Germany or as the result of a certain neglect on the part of the clubs, the carefully directed development of young and talented players, which are eligible for German national teams, has become a real concern of the DFB in the wake of ‘Bosman’. What is more, the DFB – in accordance with the DFL – also tries to steer the development by establishing certain rules for professional and amateur clubs, which aim at developing and protecting young and talented German players as far as possible within the limits of public national and European law. For instance, every club in the Bundesliga has to maintain a training centre for young players (*Nachwuchsleistungszentrum*) in order to comply with the licensing rules. The professional teams also have to sign at least twelve players, which are eligible for German national teams (although there is no ceiling for the overall number of

⁸ The most expensive transfers in German football have been the transfer of Amoroso to Borussia Dortmund (officially 17,5 Million EUR) and the transfer of Makaay to Bayern Munich (18,75 Million EUR), which rank at position 92 and 80 in the list of the most expensive transfers ever. See the ranking at www.transfermarkt.de.

⁹ The Bundesliga has been an exception to the rule among big European leagues because the ratio of salary payments and returns did not change substantially. See Deloitte & Touche 2003.

¹⁰ See *Kicker*, 19 February 2004, translation by the authors.

players). Amateur clubs of professional teams until now had to field at least six eligible players younger than 24, three of them younger than 21; starting with the 2005/06-season, these clubs will become full U23-teams (which means that only three players aged 23 or older can be fielded). Parallel to these measures, the number of non-EU players in amateur teams has been cut back from up to six (2002) to three (2004). This kind of “steering policy” within the association is complemented by the policies of the German Ministry of the Interior, which in 2002 issued a directive that in effect ruled out that a non-EU player will get a work permit in Germany unless he is signed by a team in the (first or second) Bundesliga. In 2003, the follow-up to this directive specified that non-EU players must be signed to play in the first team and must not play in the amateur teams of the professional clubs.¹¹

The ‘Bosman ruling’ also stated that the traditional transfer system had to be completely revised, since the core of this system – the payment of transfer fees for out-of-contract players – had been found to infringe upon the right of free movement within the EU. The ruling itself posed a lot of questions, because among other things it did not consider transfers within member states of the EU and made no specifications concerning transfers of European but non-EU players between two clubs within the EU. Since the transfer system was internationally agreed upon and laid down through FIFA, it became clear during the second half of the 1990s that this part of ‘Bosman’ was not just (EU- or UEFA-)European business, but could and had to lead to a revision of the whole international transfer system. First and foremost the European Commission pushed this view, starting from the perspective that football constituted a normal business activity to be regulated according to competition law, for instance. On the other side, the national and regional associations as well as FIFA tried to promote their view that football and sport fulfil peculiar social functions and therefore had to be treated differently. As Parrish (2003) has shown, these actors as well as others (clubs, leagues, media, lawyers) have formed so-called “advocacy coalitions” to promote their views in the negotiation process. Although the Commission finally pushed FIFA/UEFA to the table by threatening another ruling through the ECJ in 2000 (Crocchi 2001: 7), the ‘new transfer regime’ agreed upon in 2001 showed that the European Commission in some parts had loosened its demands and abandoned its purism. This is especially true with regard to contract stability (vs. ‘normal’ periods of notice), which has to be guaranteed except for exceptional situations, and the introduction of a new system of training compensations (as a ‘quasi’-

¹¹ *Kicker*, 27 January 2003; EU player in this regard means a player born within a member state, where the rights concerning the free movement of labour do apply (this still excludes new member-states like Poland, Hungary etc.).

transfer fee) for players aged under 23 to encourage and reward training efforts of clubs (cf. Weatherill 2003: 68). This change in attitudes of the European Commission merits attention and needs to be explained.

One could reason that the Commission has been persuaded by the arguments concerning the peculiarities of organising football and the presumed consequences of a fully liberalised transfer regime put forth through UEFA/FIFA (and the DFB as well). Indeed, some leading German actors interpret the negotiation process with the Commission to some degree as a successful act of lobbying in the sense of creating more awareness within the Commission for possible disastrous consequences of strict liberalisation (e.g. inoperability of leagues because of highly volatile player markets).¹² There are indeed some indicators that underscore this reasoning, since the Commission gradually reformulated its position throughout the 1990s, as can be seen in the so-called Helsinki Report on Sport from 1999 (Brown 2000: 139). Secondly, several national football associations, not least the German DFB, have tried to lobby their respective governments and especially their heads of government in order to exert some political pressure on the institutions of the Community, although mainly in form of public statements. In this regard, the joint statement of Gerhard Schröder and Tony Blair in the run-up to the Nice Summit 2000 – which expressed their concerns regarding a radical restructuring without enough consideration given to the peculiarities of football (Meier 2004: 14) – has been brought about also by several meetings of the DFB, representatives of leading German clubs and the German Chancellor, in which the ‘football community’ successfully specified possible adverse implications of a fully liberalised transfer regime for the most popular sport in Germany.¹³ Undoubtedly, the common stance of national governments exerted indirect political pressure on the European Commission, which can act with some degree of autonomy but certainly does not take its decisions in a political vacuum.

In sum, the ‘Bosman’ ruling undoubtedly changed the structures and the landscape of German football. Concerning the make-up of the Bundesliga it has become above all less German, more international, and more European in a wider sense. Through the decision of the DFB to count all citizens of UEFA member-states as EU-residents, German football has become more “Europeanised” than required through the Commission and the ECJ. Other processes have shown as well that ‘Europeanisation’ through European jurisdiction and

¹² Interview with the president of the DFB, Gerhard Mayer-Vorfelder.

¹³ Interview with the president of the DFB, Gerhard Mayer-Vorfelder.

institutions is far from being directed by Brussels alone. The Europeanisation of German football thus seems to be more dialectical than commonly assumed.

Broadcasting rights and the Bundesliga marketing system

Over the past decade, the transformation of the broadcasting sectors has had a significant impact on professional football in most European countries, including Germany. The sharp growth in the number of actors on the demand-side of the market with the advent of private television in Germany in the mid-1980s combined with the difficulty of increasing the supply of truly attractive football events led to very considerable increases in the prices charged for Bundesliga broadcasting rights (at least until the ‘Kirch-crash’¹⁴), a development that has also been witnessed, to varying degrees, in the rest of Europe. Overall, broadcasting is a key element in the larger scale commercialisation of football in recent times. This commercialisation of sports (and above all football) in Europe has decisively fostered the intervention of EU institutions and Community law in the sector. The EU Commission’s preoccupation with football has been driven by its need to monitor the much more important broadcasting sector, in which it seeks to preclude practices that facilitate incumbents’ to impede new entrants to the market (cf. Weatherill 2003: 74).

One of the most contentious issues is concerned with the marketing system of broadcasting rights. An established commercial practice in European football, as well as the European sports sector more generally, is the central marketing and joint sale of broadcasting rights on behalf of individual participants. This system, which currently applies to both free-TV and pay-TV broadcasting of the football Bundesliga, offers prospective buyers only the opportunity to compete for one package which comprises a league’s entire output. Purchasers are unable to conclude deals with individual clubs. Such collective selling is an equalising arrangement through which revenues are distributed more evenly than in a decentralised model. In the latter system the allegedly more attractive clubs would take significantly more of the pie (at the expense of smaller clubs). The main argument in favour of the collective system is that it helps sustain vibrant (inter-club) competition¹⁵, a crucial element of any sporting activity. For example, broadcasting rights for the Bundesliga, the English Premier League and the UEFA Champions League are marketed centrally by the DFB/DFL, the FA

¹⁴ The Kirch-Group which acquired the Bundesliga rights for the period 2000-2004 went into bust in April 2002. The price for Bundesliga broadcasting rights increased from 4 Million EUR in 1988 to 169 Million EUR in 1999/2000. Kirch paid 355 Million EUR for 2000/2001. The value has decreased to 291 Million EUR per season since 2002/2003.

¹⁵ A number of clubs in the Bundesliga crucially depend on the income earned from the Bundesliga broadcasting rights. Cf. *Frankfurter Allgemeine Zeitung*, 8 April 2002.

and the UEFA, respectively. In 1999, the DFB requested an exemption from EU antitrust rules with regard to the central marketing of television and radio broadcasting rights for professional football matches in Germany. From the perspective of EU law two issues are important here: firstly, whether the prevention of clubs from entering into individual agreements with broadcasters amounts to a restriction of competition and thus falls within the scope of Article 81 (1) TEC; secondly, whether the collective selling of broadcasting rights is necessary to ensure the survival of the financially weaker participants in the league. If the above mentioned solidarity argument is accepted, an exemption under Article 81 (3) from the application of Article 81 (1) TEC may be granted (Parrish 2002: 9).

Under the German collective selling system the DFB leases the broadcasting rights to the DFL which also markets the rights. The DFL redistributes the revenues gained from the broadcasting contracts to the clubs. The contracts in question in the DFB request for exemption from Article 81 concern the rights to show first and second division Bundesliga games. The DFB/DFL claim authority to enter into such contracts as the main organisers of the competitions. The application for derogation from Article 81 was substantiated with reference to the solidarity function which the central marketing system supposedly fulfils in that funds are redistributed (fairly) among clubs. It should be mentioned that this stance is accepted by most officials from the DFB and DFL as well as the vast majority of clubs. Among the 36 professional German football clubs only Bayern Munich, Borussia Dortmund and Bayer Leverkusen favoured a decentralised marketing model, given their potential to raise substantially larger revenues. They also occasionally claimed that overall generated income would be higher¹⁶ under a decentralised system and they sporadically threatened by referring to exit options, such as a European breakaway league. During the course of discussions all clubs eventually accepted the collective selling system. However, later it was revealed that Bayern Munich mainly came on board because of a ‘secret’ marketing treaty with the Kirch-Group, which had secured the rights for the period 2000-2004. In this agreement Bayern Munich was compensated for lost revenues by foregoing individual marketing arrangements. As a result, the club *de jure* agreed to the central marketing model, while *de facto* securing the financial status of a decentralised system. This can be regarded as the introduction of elements of decentralised marketing through the back door (cf. Kruse and Quitzau 2003: 13-14).

¹⁶ However, the literature rather seems to contradict this point. Cf. e.g. Weatherill 2003: 77.

In the DFB request for an exemption from EU antitrust rules, the DFB and the DFL made a considerable effort to influence matters. They mainly sought to assert their preferences via UEFA. DFB President Mayer-Vorfelder was well placed in that respect as a member of the UEFA Executive Committee and the Executive Committee Working Group on matters related to the European Union. Within the UEFA framework DFB officials also participated directly in talks with representatives from the European Commission, members of the European Parliament and national ministers responsible for sports. In addition, direct relations were cultivated on the part of the DFB with the Commissioners Reading and Monti. The DFB mainly used UEFA as a channel also because UEFA was (simultaneously to the DFB case) involved in talks with the Commission as it had applied for an exemption from Article 81 concerning the collective marketing of commercial rights to the UEFA Champions League. Lobbying (via UEFA) has retrospectively been viewed as an effective means.¹⁷ Rather than applying direct (political) pressure, it was important in the talks with the European Commission and other EU circles to bridge certain knowledge gaps and to widen decision-makers' basis of information and to specify the implications of a vigorous application of Community antitrust rules to professional football in Germany. Moreover, a certain amount of political pressure spilling over from the Bosman case and the subsequent discussions concerning transfer rules¹⁸ provides an additional rationale for the Commission decision to exempt the new system for marketing Bundesliga broadcasting rights. These logics also have to be seen against the background of growing anxieties on the part of the Commission in recent years to show respect for the social and cultural benefits of sports (cf. Weatherill 2003: 52f, 75, 93f).

Overall the new marketing system for Bundesliga broadcasting rights that was first accepted by the Commission in July 2003 contains the main demands made by the DFB. The new model has been described as 'essentially a centralised system of marketing broadcasting rights with some decentralised elements on the fringes'¹⁹. Collective marketing of TV rights will broadly continue. However, broadcasting via mobile phone and the internet will become

¹⁷ Interview (anonymous), January 2005.

¹⁸ For example, statements by Gerhard Schröder and Tony Blair as well as provisions in the Amsterdam Declaration emphasised the need for the bodies of the European Union to listen to sports associations when important questions affecting sports are at issue.

¹⁹ Interview with Dr. Christian Hockenjos, Director of Administration and Organisation, Borussia Dortmund.

liberalised from 2006/2007, so that clubs will be in a position to market their home games via these media.²⁰

The impact of the Champions League

So far we have predominantly looked at the adaptational pressures stemming from the European Union and the transnational and specifically German responses toward these pressures. In contrast, this section deals more with transnationally induced changes which have a significant bearing on the policies, structures and attitudes governing German (professional) football. The most important factor in that respect is the UEFA Champions League (and to a lesser extent the UEFA Cup). Since the early 1990s there has been increasingly strong pressure on UEFA from the big European clubs and media groups to expand European club-level football competition in order to exploit the commercial potential of such development. UEFA welcomed these ideas because they entailed the possibility of (further) raising its profile and status. As a result, UEFA enlarged the European Champion Clubs' Cup in 1992/1993 to include a league format, which was subsequently called the Champions League. Again at the initiative of media companies and the largest European clubs the league format was expanded in 1997. This allowed for the participation of the runner's-up of the bigger national leagues and increased the number of matches played and thus raised revenues.

The Champions League has become a real focal point for the more competitive Bundesliga clubs, a development paralleled across other European football leagues. The rationale is two-fold. First, the participation in the Champions League is financially very lucrative. For example, in the season 2002/2003 Borussia Dortmund earned 33.7 million EUR (27.1% of its total revenue) by (merely) reaching the second group stage in the Champions League. And in the season 2000/2001 Bayern Munich gained 41.25 million EUR – almost twice as much as through total national TV revenues – by winning the Champions League that season. It can be argued that participation in the Champions League is even more important for the top German clubs than for their English, Spanish or Italian rivals in order to stay competitive on the European level due to different domestic TV-market(ing) conditions. English clubs can draw on huge earnings through their massive national broadcasting contracts. Top Italian clubs can raise very considerable revenue because the pay-TV sectors is

²⁰ For full details see for example European Commission (2003). Closely related to the issue of collective marketing is the issue of exclusivity, i.e. the sale of exclusive broadcasting rights. For analysis of this issue see Brand and Niemann (2005).

decentralised²¹. And in Spain both free- and pay-TV is marketed on an individual basis, which benefits the most attractive teams disproportionately.

Secondly, the Champions League has also become a focal point for the bigger German (and other European) clubs since it has developed into a top brand. Part of the success story is that in 2003/2004 it contracted 82 TV partners in about 230 countries and islands and was able to increase its world-wide audience/broadcasting quota by (another) 9%. In addition, Champions League matches have generated a higher average attendance than games in the highest domestic leagues in England, Germany, Spain, Italy and France.²² Another indicator for the development of the Champions League brand is the continuity and fidelity of its sponsors: Ford, Mastercard and Amstel have all sponsored the Champions League from the outset or joined closely after. Sony is also developing into a long-term partner. These companies all seem to regard their substantial contributions invested profitably. A different sign of successful-brand building is the receipt by the Champions League of the TV industry's "Oscar" awarded through the Broadcast Design Association for the best European appearance in the sports business in March 2004. Of course, these "soft" factors again have substantial positive financial implications for clubs taking part in the Champions League, for example in terms of sponsoring and merchandising. Overall, our interviewing of officials at the bigger Bundesliga clubs has revealed that – due to the above developments – the Champions League brand and its monetary implications have generated very substantial appeal to them. Clubs like Borussia Dortmund and Bayer Leverkusen are aware of the fact that their performances in the Champions League have considerably raised their images nationally and internationally and that their membership in the G-14 forum is primarily owing to that.

The G-14

In the last decade, new forms of European transnational networks within European football have evolved, most prominently the so-called G-14. The G-14 – sometimes labelled the "European club of the rich"²³ – is a self-selected and self-recruiting interest group of today 18 big European football clubs. Its legal structure is that of a European Economic Interest Group (EEIG), which means that it is embedded in the instruments of the Community for facilitating

²¹ According to one source Juventus Turin has made 93 million EUR through pay-TV during one season in the past (interview with Karl-Heinz Rummenigge CEO of Bayern Munich).

²² Between 1992/1993 and 2003/2004 the Champions League has generated an average attendance of 37.073, more than any national football league during that period. When analysing individual seasons, national league games were attended by more spectators only in 2001/2002 (Premier League), 2003/2004 and 1995/1996 (Bundesliga). Data available online: <http://european-football-statistics.co.uk/attn.htm>.

²³ *Frankfurter Allgemeine Zeitung*, 01 December 2004

and encouraging transnational cooperation between firms. The idea to form such a group was born in 1997/98 by club representatives in informal meetings. Of great importance for the final formation of the G-14 was the proposal of the Italian media organisation Media Partners in 1998 to establish a (breakaway) European Super League in order to generate higher revenues than under the scheme of the Champions League. Media Partners even complained to the European Commission that UEFA's prevention of such a breakaway league amounted to an abuse of a dominant position from the perspective of Community competition law (Parrish 2002: 11). Although UEFA countered with a change of format of the Champions League that appeased the big clubs, the grouping took further steps to formalise and in 2000, constituted itself officially as the lobby group "G-14". In 2001, it opened an office in Brussels. The choice of this place reflects the growing awareness that the European Union has become a centre of gravity for matters of football.²⁴ In the case of the G-14, it also reflects the fact that the European Commission has been interpreted by the big clubs as a potential ally in reforming football according from the 'business perspective' (Ducrey et al. 2003: 34).

Interestingly, since the G-14 has not been recognised by either UEFA or FIFA as an official organisation, the European Commission allowed the G-14 to explain its position as 'employer' of footballers in the talks between FIFA and the Commission about a new transfer regime in 2001. UEFA, not surprisingly, has a somewhat distanced relationship to the G-14, but recent developments hint at its attempt to strengthen ties with European football clubs either to accommodate or to weaken it. In this regard, the UEFA Club Forum has been established in 2002 as an expert panel – with the status of an advisory body – with representatives of 102 European clubs as members. Similarly, the European Professional Football Leagues (EPFL), which as an association of 15 professional leagues founded in 1998, has recently become more vocal as it tries to establish itself as the fifty-third association within UEFA. Important is that through these developments a complex web of transnational networks and relationships has been established within the realm of European football, mainly through and with reference to the G-14 grouping. The G-14 itself represents a qualitatively different type of transnationalism from those of UEFA or FIFA, since the latter are constituted through national associations (cf. Lehmkuhl 2004: 182). The transnational character of the G-14, on the other hand, is based more on personal relationships between top executives, which have frequent contact with each other and act on the basis of interests

²⁴ In 2003, the UEFA has opened an office in Brussels as well to keep in touch with the EU.

which overlap for a good part. Moreover, national regards tend to dissolve²⁵, in contrast to UEFA where national interests from time to time seem to be more important.

Three German clubs are members of the G-14: Bayern Munich from its starting, Borussia Dortmund has been invited to join in 1999, Bayer Leverkusen in 2002. The three German clubs in sum rank fourth concerning their votes – if one wants to group the votes in the General Assembly of the G-14 by nations. At the Management Committee, the de facto-leading organ of the G-14, the ‘German contribution’ has been Vice Chairman Karl-Heinz Rummenigge, who has been regarded as the “ambassador of the G-14” because of his involvement with Bayern Munich, the DFL, UEFA and FIFA. Since September 2004, Michael Meier of Borussia Dortmund is Vice Chairman of G-14’s Management Committee. Thus, German football clubs play an important role in the G-14. But the German football has also contributed to some counter-trends to G-14. For instance, the strengthening of the EPFL has been partially pushed by leading actors of the DFL, since they wanted to re-model UEFA on the successful German example (the league as part of the association). To sum it up, there is no unidimensional ‘German role’ within these processes of growing transnationalism in the European context.

Conclusion

Any attempt to capture the Europeanisation of German football has to pay attention to two inter-related dynamics: a big part of the Europeanisation dynamics can be classified as EU-Europeanisation, i.e. the pressures originating from the EU level and leading to dialectical processes of adaptation in the various football associations. In addition, there are transnational dynamics, which emanate from football clubs within Europe and from the actions of the European football association as well as other private actors. As for EU-Europeanisation, through ‘Bosman’ and its implementation, German football has become more “Europeanised” than required through the European Commission and the ECJ. Other processes in German football have also shown that “Europeanisation” through European jurisdiction and institutions is far from being a one-way street. Although the EU can exert some adaptational pressure, there have always been attempts to seek ways to escape some of the consequences of adaptation (e.g. protective measures for young players) or to weaken the pressure itself (e.g. through persuasion and lobbying in the cases of a new international transfer regime or the marketing of broadcasting rights). On the other hand, there is some activism in (top)

²⁵ Interview with Dr. Christian Hockenjos, Director of Administration and Organisation, Borussia Dortmund; see also the Ducrey et al. 2003: 60.

European club football which merits attention. The last decade has indicated important changes to the formats of football competitions and to the realm of actors. With the introduction of the Champions League and the formation of new groups and networks beside the traditional associations, another dimension of 'Europeanisation' has emerged. The growing articulation of common interests in transnational venues can be seen as an extension of and/or reaction to the 'Europeanisation' processes initiated by European institutions. Leading German football clubs have – together with their European counterparts – played an important role in these processes.

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