

#38 'FIFA-GATE'

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Harold Mayne-Nicholls was FIFA's Chief Inspector for bidding cities and was asking himself the same question: 'Honestly, I never thought Qatar would win, they don't have a football tradition, and, in the report, they don't have the best marks. They had to virtually rebuild the city, build all the stadiums, they didn't have a single stadium which could host a single match. But the insurmountable obstacle was how to play in May, June, and July.' With so many red lines against Qatar, Mayne-Nicholls also commented that he found it strange none of the EXCO members had chosen to speak with him to discuss his concerns, especially when it was made abundantly clear in his report that international football could not be played in the searing heat of a Middle Eastern summer. But there it was: 14 of FIFA's EXCO had voted for Qatar to host the World Cup (there were, in fact, 24 board members, although two had been previously disqualified from voting due to earlier misdemeanours).

It took five years, and another presidential term of office for Mr Blatter, until the FIFA chickens came home to roost, when FBI officials arrived in Lausanne during their 2015 Congress and escorted seven of his most senior officials out of their five-star hotels in handcuffs. Meanwhile, at a dramatic New York press conference timed to coincide with the raid, the FBI's lead investigator Loretta Lynch claimed long-term corruption was endemic within FIFA and read out a lengthy charge sheet with her central allegation as follows: 'The indictment alleges corruption that is rampant, systematic and deep-rooted, both abroad and here in the United States. It spans at least two generations of soccer officials who, as alleged, have abused their positions of trust to acquire millions of dollars in bribes and kickbacks.' Most of the FBI's anger was directed at fellow US citizen Chuck Blazer and FIFA vice-president Jack Warner, who both represented the CONCACAF group of nations across North/Central America and the Caribbean. This group of 31 national federations had an informal agreement to vote together to extract maximum value out of FIFA, and for over 25 years

Warner had their mandate to decide how to weaponise the three FIFA votes CONCACAF had at their disposal. When Qatar won the right to host the 2022 World Cup they beat the USA by six votes. For the 2010 finals, South Africa saw off Morocco by four votes, while Germany defeated South Africa by a single vote to win the right to stage the 2006 World Cup. Having Warner onside therefore really mattered, and boy did he know it.

The FBI went on to charge Warner with ‘wire fraud, racketeering and money laundering’ and estimated \$24m was unaccounted for. His punishment was a life ban from having any further involvement in football – he was 68 years old. They then widened the investigation to include 14 other FIFA executives, five of whom sat on the main FIFA board, including Sepp Blatter and Michel Platini, who both eventually lost their presidential jobs. The commercial fall-out was significant too with Sony, Emirates, Castrol and Continental terminating their FIFA marketing contracts, which led to an 18 per cent drop in sponsorship revenue for the next World Cup quadrennial.

Having described earlier how the sports right arbitrage model evolved in the 1990s it should come as no real surprise that the market became so open to abuse, since Blazer, Warner et al. found themselves in key positions of influence at a time when football was uncorking billions of dollars of unregulated TV and sponsorship cash. I’ve myself had an international job for many years and it’s fair to say the Anglo-Saxon way is different to how the wheels of business go around in other corners of the world. As trading borders widened, and people from different cultures learned to do business with one another, there were plenty of willing third parties offering their services to help resolve blockages. Some were even family relatives, with João Havelange’s former son-in-law one of those eligible to vote in 2015 (and subsequently indicted) in his capacity as head of the Brazilian FA.

Football wasn’t alone either in experiencing family misdemeanours and five years later the 87-year-old president of the IAAF, Lamine Diack, was prosecuted for taking bribes to cover up alleged doping offences by Russian athletes. The go-between this time was his son, Papa Diack, who was sentenced to five years in prison. As Judge Rose-

Marie Hunault commented as she read out the guilty verdict to his father, who had run the sport of athletics for 16 years, The money was paid in exchange for a program of “full protection”,’ adding, ‘The scheme

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allowed athletes who should have been suspended purely and simply to escape sanctions. You violated the rules of the game.’