The 2021 European Super League Attempt: motivation, outcome, and the future of football

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Abstract

On 18th April 2021, it was announced that twelve of Europe’s leading professional football clubs had formally agreed to form, and partake in, a new ‘super’ league. Officially known as ‘The Super League’, but more commonly referred to as the ‘European Super League’, the competition sought to strongly rival – if not replace – the existing Champions League, the longstanding elite European tournament organized by the Union of European Football Associations (UEFA). By 21st April, 2021, however, nine of the clubs formally confirmed their withdrawal from the ESL, leaving only three clubs committed to the project. In this brief critical commentary, we analyse the European Super League attempt from an economic, social and political perspective. In doing so, we answer three key questions: What were the underlying motivations behind the attempt? Why did the attempt fail to materialize? What next for the future governance of football?

Key words: football; Premier League; football governance; sports economics; social identity
Introduction

In this short commentary, we seek to offer critical academic analysis of the (failed) attempt by several European professional football clubs to form a ‘Super League’ in April 2021. In doing so, we look to answer the following three questions:

- What were the underlying motivations behind the attempt?
- Why did the attempt fail to materialize?
- What next for the future governance of football?

Before answering the above three questions, we first offer up a brief background to the attempt itself, including detail on the proposed concept of the league, and the main clubs involved.

Background: the European Super League concept

On 18th April 2021, it was announced that twelve of Europe’s leading professional football clubs had formally agreed to form, and partake in, a new ‘super’ league. The founding clubs included Arsenal FC, Chelsea FC, Tottenham Hotspur FC, Liverpool FC, Manchester City FC and Manchester United FC from the English Premier League; Real Madrid CF, FC Barcelona and Atlético Madrid from Spain’s La Liga; and Juventus FC, Internazionale Milan and A.C. Milan from Italy’s Serie A. Officially known as ‘The Super League’, but more commonly referred to as the ‘European Super League’ (henceforth ‘ESL’), the competition sought to strongly rival – if not replace – the existing Champions League, the longstanding elite European tournament organized by the Union of European Football Associations (UEFA).

The ESL proposed to be an annual tournament, one which included twenty European clubs in total, made up of fifteen permanent or ‘founding’ clubs, and a further 5 clubs who could qualify for participation based on success in their domestic leagues. Each year, the twenty clubs would initially be split into two groups of ten and, after competing against each of their group members (home and away), the top four clubs from each group would qualify for the knockout-stage of the tournament, which would encompass the quarter-finals and semi-finals (two-legged ties), and eventually the final, where the last two clubs would compete in a single, winner-takes-all style match. It was planned that games would be played mid-week, so as not to interfere with domestic leagues schedules – such a format would, however, directly conflict with UEFA Champions Leagues and Europa League games, which currently do take place mid-week.
By ‘bringing together the best clubs and best players in the world’, the ESL’s goal was ‘to deliver excitement and drama never before seen in football’ (The Super League, n.d.a). By doing so, the ESL claimed it would come to provide its member clubs with ‘uncapped solidarity payments’ that were ‘substantially higher than those generated by the current European [UEFA] competition[s]’ (ibid.). It was estimated that said payments would ‘be in excess of €10 billion during the course of the initial commitment period’, with founding clubs also receiving €3.5 billion ‘solely to support their infrastructure investment plans and to offset the impact of the COVID pandemic’. The ESL sought to be built on a ‘sustainable financial foundation’, with all founding clubs signing up to a ‘spending framework’, and having a key role in the competition’s governance. Overall oversight of the ESL would lie with the Chairman, Florentino Perez (President of Real Madrid CF), and the two Vice-Chairman, Andrea Agnelli (Chairman of Juventus FC) and Joel Glazer (Co-Chairman of Manchester United FC) (The Super League, n.d.a).

What were the motivations behind the attempt?

The motivations behind the attempt can be classified within four categories: financial gain; financial security; familiarity with the closed league model; and the decline of competitive balance in European men’s football. In this section, we deal with each of these in turn.

The first motivation is the financial gain expected from the ESL. Founder members would have been offered up to £310 million each to join the competition and could have earned as much as £213 million a season from it (Ziegler, 2021). This amount per season represents more than AC Milan’s revenue pre-Covid (Deloitte, 2020). It may be argued that being motivated by financial gain is in opposition to the traditional view that European football clubs are interested in success on the pitch rather than profit (Sloane, 1969, 1971). However, this traditional view has not systematically been confirmed over a recent period (Terrien et al., 2017). This may be the consequence of the globalization of the sources of finance in European football over time and the subsequent financial gain that can be expected, already visible towards the end of the 20th century (Andreff & Staudohar, 2000). The ESL was consistent with this view, with its main aim being to maximise global audiences (beyond European countries). Also consistent with its globalization, European football has experienced an increase in foreign ownership since the start of the 21st century, in particular from the United States, Russia and the Middle East (Scelles et al., 2016). These foreign owners may not have the same motivation as domestic owners, in particular American owners usually identified as profit maximisers in the sports economics literature since the seminal articles by Rottenberg (1956) and Neale (1964). Four out of the twelve ESL ‘founding’...
clubs (AC Milan, Arsenal FC, Liverpool FC and Manchester United) are under American ownership. However, the only clubs yet to withdraw from the proposed ESL (FC Barcelona, Juventus FC and Real Madrid) are all under domestic ownership, suggesting that the traditional opposition between the objectives of European and American owners is not valid anymore.

The second motivation is the financial security offered by the permanent position for ‘founding’ clubs. The guarantee to be part of the ESL every year removes the entrepreneurial risk due to the possibility of not qualifying for the UEFA Champions League. For example, only four out of the six English ‘founding’ clubs can qualify for the UEFA Champions League every year (five if the winner of the UEFA Champions League or Europa League is an English club not ranked in the top four in the Premier League). This number is even lower if another club is able to reach the top four in the Premier League, as this was the case when Leicester City won the championship in 2015-16. Not qualifying for the UEFA Champions League means lower revenue, which leads to lower spending in players (transfer fees and wages), especially under the UEFA Financial Fair Play system. Indeed, the latter means that clubs cannot spend more money than what they generate from their football activities (Dermit-Richard et al., 2019). Missing a qualification in the UEFA Champions League one season can lead to a vicious circle due to lower revenue leading to lower spending in players, which, in turn, can result in lower sporting performance and the subsequent inability to qualify for the UEFA Champions League the next season(s). Arsenal FC exemplifies this idea of a vicious circle: the club qualified for every UEFA Champions League from the 1997-98 to 2015-16 editions of the Premier League, before being unable to qualify again since the 2016-17 Premier League. The ESL would have removed this entrepreneurial risk and provided more financial security. The current Covid-19 context and its (negative) financial consequences may have exacerbated and accelerated the perceived need for the ESL (see also: Grix et al., 2021).

The third motivation is the familiarity with the closed league model, in particular for American owners. Kroenke Sports & Entertainment, owner of Arsenal FC, also owns five American sports teams (Los Angeles Rams in NFL, the National Football League; Denver Nuggets in NBA, the National Basketball Association; Colorado Avalanche in NHL, the National Hockey League; Colorado Rapids in MLS, the Major League Soccer; and Colorado Mammoth in NLL, the National Lacrosse League), as well as two American esports teams (Los Angeles Gladiators in OWL, the Overwatch League; and Los Angeles Guerrillas in CDL, the Call of Duty League), all operating in closed leagues. Fenway Sports Group, owner of Liverpool FC, also owns Boston Red Sox (MLB), while the Glazer family, owner of Manchester United, also owns Tampa Bay Buccaneers (NFL). It is no surprise that the idea of a Super League has been referred to as ‘The Americanization of
European football’ (Hoehn & Szymanski, 1999). In fact, contrary to the open system typical of European football, where team mobility between higher and lower divisions in domestic leagues is ensured by promotion and relegation, the formulation of the ESL was conceived on a ‘hermetic’ structure inspired by the American major professional sport leagues. In American closed leagues, the number and the identity of the participating teams are fixed and entry of a new club is only possible through the purchase of an expansion team followed by approval by a qualified majority of incumbent teams (Andreff, 2011). The proposed design of the ESL comprises a semi-closed competition structure with fifteen permanent members and five remaining places to be given to clubs annually based on previous season’s performance. Thus, generally simulating what occurs in major American professional sports leagues, in economic terms, the ESL would represent a classic example in which the founding clubs form a cartel and establish a regulated oligopolistic competition.

The fourth and last motivation for the European Super League Company and the owners of the founding clubs is to provide high-quality and intense matches (The Super League, n.d.b). This would be supported by the decline of competitive balance in European men’s football if it does not apply to matches between ‘big’ clubs. Competitive balance relates to the sporting equilibrium between playing strengths, assumed to be needed to generate outcome uncertainty, fan demand and revenues. Scelles et al. (2020) found a deterioration of competitive balance in European men’s football first tiers when comparing the end-of-season distribution of points between 2006-2012 and 2012-2018. If the decline is somewhat limited when considering the average competitive balance across all leagues (-1.2 percent points), it is higher in the ‘big five’ leagues, i.e. England (-2.3 percent points), Germany (-4.6 percent points), France (-6.2 percent points), Italy (-7.6 percent points) and Spain (-8.4 percent points). François et al. (2021) also find a deterioration of competitive balance when looking at the UEFA men’s Champions League. The authors compare the average intra-match competitive balance between 2001-2009 and 2009-2019 and evidence a decrease over time (-3.7 percent points). Interestingly, the deterioration holds true not only for the group stage (-3.1 percent points) and the round of sixteen (-6.7 percent points) but also from the quarterfinals (-6.3 percent points). In other words, the decline in competitive balance does not only come from the games between ‘big’ and ‘small’ clubs, but also between ‘big’ clubs. Based on their findings, François et al. (2021) suggest that the ESL would not be the panacea, since it would not necessarily solve the issue of a deteriorating competitive balance in European men’s football.
Why did the attempt fail?

On the evening of 20th April, 2021, Manchester City, Liverpool, Arsenal, Tottenham Hotspur and Manchester United confirmed their withdrawal from the ESL; the following day, Chelsea FC - the last remaining English club – also withdrew, along with AC Milan, Internazionale Milan and Atlético Madrid (see: BBC, 10 April, 2021). This meant that only Juventus, FC Barcelona and Real Madrid remained committed to the ESL concept, which, in effect, meant that plans to form a super league were – at least for now – in a state of collapse.

The decision of the aforementioned clubs to withdraw from the ESL arguably stemmed from public pressure to do so, generated by the negative reaction of the football community towards the Super League attempt. We can identify three groups within the football community that arguably led such negative appraisals. First have been the various football governing bodies, at both national and international level. Immediately following the announced attempt to form the ESL on 18th April, UEFA, the English Premier League, the English Football Association, the Royal Spanish Football Federation, La Liga, the Italian Football Federation and Serie A released a joint statement publically condemning those clubs involved. It stated that leagues across Europe remained ‘united’, and that they would use ‘all measures’ possible to stop what they referred to as a ‘cynical project’, one that was ‘founded on the self-interest of a few clubs at a time when society needs solidarity more than ever’ (The Athletic, 19 April, 2021). The joint statement went on to remind the ESL clubs of FIFA’s stance that ‘players taking part in the Super League would be banned from all other competitions at domestic, European or world level and could be prevented from representing their national teams’ (BBC, 18 April, 2021).

A further group of scrutineers have been the various public figures who have spoken out. From the football industry there has been current and ex-players, club coaches and managers, as well as various broadcast pundits. In commenting on the proposed permanent participation of the founding clubs – as discussed in the previous section – Manchester City FC manager, Pep Guardiola, questioned the sporting nature of the ESL, highlighting how ‘it is not a sport where success is already guaranteed, it is not sport where it doesn't matter when you lose’ (Sky Sports, 20 April, 2021). In similar fashion, UK Prime Minister, Boris Johnson, publically referred to the ESL as a ‘cartel’, and suggested that the plans went ‘against the basic principles of competition’. This was supported by the UK Culture Secretary, Oliver Dowden, who classified the ESL attempt as ‘a small handful of owners [who] want to create a closed shop of elite clubs at the top of the game - a league based on wealth and brand recognition rather than upon merit’ (Gov.UK, 19 April, 2021).
Arguably the most notable, and final, group are football supporters who have negatively reacted to ESL plans. This has been most particularly showcased via supporter-led, organized protests. On 20th April, for example, thousands of supporters gathered outside Chelsea FC's stadium, Stamford Bridge, prior to Chelsea’s Premier League match against Brighton and Hove Albion to protest their club’s decision to join the ESL. On commenting on the protest, the Chelsea Supporters Trust released a statement that read ‘This [the ESL attempt] is a decision of greed to line the pockets of those at the top and it has been made with no consideration for the loyal supporters, our history, our future or the future of football in this country’ (The Guardian, 20 April, 2021). Four days later, thousands of fans also gathered outside Arsenal FC’s stadium, The Emirates, to protest the ESL plans, and also called for their club owner, American billionaire Stan Kroenke, to sell the club (see: Sky News, 24 April, 2021). Then there were the supporter protests that occurred in Manchester, when thousands of fans gathered outside Manchester United’s Old Trafford Stadium in opposition to the ESL. Some fans even managed to break into the stadium itself, and then protested their opposition on the pitch. This incident followed a similar protest at Manchester United’s training ground the week before, where supporters also entered illegally to express their dissatisfaction over the ESL, as well as the Glazer family ownership of the club (BBC, 25 April, 2021). It was due to this significant backlash that the nine ESL clubs not only withdrew from the proposed competition, but were also forced to make public apologies to their supporters.

Having noted the critical role supporters played in resisting the ESL attempt, a key question becomes: “What led supporters to take collective action to protest against the ESL?” The application of social identity theory (SIT: Tajfel & Turner, 1979) provides an insight into this question. Social identity refers to an individual’s sense of self that results from his or her membership to a group (Tajfel & Turner, 1979). It is ‘internalized group membership’ (C. Haslam et al., 2018, p. 15) that drives people to define themselves in terms of who ‘we’ are, not just who ‘I’ am. According to SIT, because social identity constitutes an important part of self-definition, the status of the ingroup from which individuals derive their social identity can have a significant implication on their psychological status (Haslam & Reicher, 2006; Tajfel & Turner, 1979). When their group is associated with positive status (e.g., a win by a favourite sport team), people tend to obtain psychological benefits from their ingroup social identity as indicated by an elevated level of self-esteem and life satisfaction (Branscombe & Wann, 1994; Jetten et al., 2017). In contrast, when their group’s status is under threat (e.g., a loss by a favourite team), individuals can experience a high level of stress and - to reduce the stressors caused by the situation - they may employ a range of coping strategies (Haslam & Reicher, 2006). The most extreme type of such strategies is social competition, whereby group members whose social identity is threatened or compromised seek to
restore the distinctiveness of their social identity by undertaking collective actions to confront and challenge the outgroup that caused the threat (Haslam & Reicher, 2006; Klandermans, 2014).

The collective resistance football supporters demonstrated in response to the ESL attempt can be viewed as a form of social competition. Supporters felt that their social identity as a football fan was undermined by the ESL because the creation of the new league could compromise the central principles valued by the European football community, including the open league model and importance of domestic competitions and regional rivalries (Football Supporters’ Association, 2019). And the fact that owners did not consult with supporters prior to the announcement of the ESL signalled that supporters were the neglected members of the owners’ ingroup (Ames et al., 2021). In turn, this led supporters to view the owners as a superior ‘outgroup’ and hence a legitimate target of social competition. As noted above, social competition is just one of the multiple other coping strategies available to individuals, and in theory supporters could have employed another strategy to deal with the psychological distress caused by the ESL, such as stopping to support their club and finding another leisure pursuit (Haslam & Reicher, 2006). In reality, however, this would have been unlikely to serve as a vital option for the majority of supporters, as it is difficult to find substitution for being a fan of a sport team especially when it is deeply attached to their self-concept and the collective identity of their local community (Stewart & Smith, 1999).

That sport fans engage in social competition is hardly a new observation. For example, social competition has been used to explain why fans derogate supporters of a rival team when the superiority of their favourite team is threatened by the team’s defeat in a sport match (Bernache-Assollant et al., 2010; Branscombe & Wann, 1994). However, what makes supporters’ reaction to the ESL attempt significant is that fans of different clubs united to work together, rather than competing against each other as in normal circumstances (Topping, 2021). In this sense, the situation surrounding the ESL made supporters activate a more inclusive form of social identity - supporters of the European football system – rather than express social identity in relation to a specific club, enabling them to view themselves and rival fans as members of an ingroup that collectively combats their common outgroup, namely club owners. When an ingroup social identity is inclusively defined, it can mobilise more resources for group members (Inoue et al., 2021; Levine et al., 2005), hence making the group more powerful in its efforts to fight against the superior outgroup (Reicher & Haslam, 2019). This notion is likely to explain why supporters’ protests were instrumental in reversing the owners’ decision to move forward with the ESL proposal.
What next for the governance of football?

Two key and interlinked questions arising from the universal disapproval of the creation of a European Super League voiced by clubs, players, fans, through to politicians and sports celebrities and commentators, were ‘how should football be governed’ and ‘how can we save football for the fans’? Usually, when reform is sought, attention turns to Germany’s model of football governance, which is looked upon as both a way to prevent such blatant profiteering and to ensure a ‘fan-friendly’ set-up for the future. On the surface, the juxtaposition between the English and German football ownership models offer a stark contrast: the former allows owners who are profit-seeking, wealthy individuals, often with little interest in football or the communities in which they are embedded. The latter, with its 50+1 rule, which prevents a single investor owning the majority stake of a club, has more fan involvement and is thought to retain closer ties to the community that benefits from the club’s presence. Both models of governance are products of the political, economic and socio-cultural contexts within which they have developed. The idea of policy transfer – that is, importing the German model to England – needs to bear this in mind. English Premier League Clubs are among the most ‘global’ in terms of their make-up of players, their reach and their ownership. Football is also, within English sport, among the least regulated and has largely been left to look after itself; it is generally accepted that unregulated markets have a tendency to harm themselves or end up unequal (Grant, 2021; 18). The reason football remains largely unregulated, especially at national level, can be linked to funding: those sports in the UK that are most heavily dependent on Government core funding (for example, athletics, rowing, cycling) need to be governed, audited and regulated according to central Government targets. It is our hope that this short commentary opens up a debate about the ideal type of good governance that football sorely needs, taking into account such key factors as national and regional context.

While the UK Government has addressed its concerns with the planned attempt of the ESL in initiating a fan-led review of football governance chaired by Tracey Crouch MP (Walker, 2021), Dubal (2010: 127) raises a key point that clubs have been ‘traditionally imagined by fans as belonging to communities rather than individual owners’, yet through neo-liberalisation they have become ‘privatized’. Consequently, this has led to several football clubs living beyond their financial means as growing inequality exists within leagues such as the Premier League and between the different leagues in England (Karak, 2016). Furthermore, there has been growing costs associated with supporting football teams. The Football Supporters Association (FSA) have highlighted that during the early part of the 21st century, ticket prices accelerated and attending football became unaffordable for much of its traditional fan base. This has led to ticket prices for
away fans at Premier League games being capped at £30 after lobbying for a number of years (Football Supporters’ Association, n.d).

These of course, are not the only associated costs attributed to football fans, but as Dubal (2010) highlights, it is the ‘local’ fans that have felt to a greater degree the rising costs as the game becomes ever increasingly commercialised in contrast to fans situated abroad. The English Premier League is one of the wealthiest sports leagues worldwide and consequently is a global sporting phenomenon. In 2019 Manchester United were reported to have 1.1 billion fans and followers worldwide, demonstrating an increase of 400 million from a previous study conducted in 2012, with the largest increases being observed in the Asia Pacific region (Kantar, 2019). Manchester City and Arsenal with their sponsors of the airlines of Etihad and Emirates facilitate Abu Dhabi and Dubai’s soft power strategies respectively (Koch, 2019). While in the 2018/19 season, Manchester United, Liverpool, Chelsea and Manchester City sold over a million replica shirts worldwide (Tighe, 2020). The global influence of these teams is unsurprising considering the establishment of the Premier League Asia Trophy in 2003, proposals of a 39th Premier League Game, and the prevalence of pre-season tours to foreign markets (Menary, 2018). What these examples reiterate is how these football clubs are not just the products of the community in which they are situated in, but rather are now global entities in which owners consider the needs of all stakeholders, irrespective of their proximity to the local area.

References


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