

#### Model United Nations International School of The Hague 2021 | XXXI Annual Session

| Forum            | ECOSOC                                     |
|------------------|--|
| Issue:           | Curbing corruption in international sports |
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### Introduction

Corruption is dishonest or fraudulent conduct that aims to benefit those who are corrupt in a personal way. Corruption is an umbrella term that includes doping, bribery and manipulating of any results/ elections. Consistently throughout sports history, events have been subject to corruption. Documented counts of such dishonest behaviour dates back as early as 388 B.C. in an Olympic combat sport's title fight where competitors were bribed into letting another athlete take the win.

In modern sports corruption is less commonly seen but, however, ever-present. One of the most recent cases being in mid 2020 when Manchester City FC was fined €30 million for exceeding spending caps and covering it up in 2012 - 2016. Cases like this are uncommon since they involve such huge sums of money but other forms of corruption are much more common. For instance the cases of Ben Johnson and Lance Armstrong where both athletes managed to secure gold medals/ wins over respectively long periods of time and in some of the more prestigious events in their sports whilst on doping schemes. This obvious form of corruption shows a more sinister side to sport which includes the sacrifice of personal health and safety for the benefits of success in events such as the olympics.

Other reasons for corrupt action include the benefits that come with the election to host tournaments such as the FIFA world cup and the Olympics. Along with the revenue from these events, huge amounts of publicity is gained by the host country as well as economic boosts with regards to the amounts of jobs and external revenue generated.

Ever since, there have been new ways that corruption has been lessened by sporting events and officiating groups have introduced new limitations in the modern era of sports ranging from stricter spending cap rules in Formula 1 (2021) and Football to simply



increasing focus on officiating posts as well as the training and protection of those in refereeing positions.

# **Definition of Key Terms**

#### Corruption

An unmerited act/ action that gives one particular individual an advantage over any competition, an augmentation of results with regards to drug tests, scores and other relevant information and/ or covering up of any relevant information.

#### Embezzlement

This is the action of funnelling money that has a different purpose into different areas of a business, increasing funding in certain areas of the same business or providing funds to external businesses with the intention of personal gain and without permission.

#### Spending caps

A limit to the amount an individual can be sponsored, a team can be paid or a team can spend within a certain period of time.

#### Fraud

Illegal methods of exploiting others with the intention of monetary or other personal gain. Within a sports context this could include getting a job that you are not qualified for by deceiving those who are hiring or faking the results of any kind of drug test.



# **General Overview**

#### **Election fraud**

FIFA is the world's biggest football organization. Similarly to the Olympics, it holds events all over the world. FIFA is one of the most recent and huge examples of corruption with the heads of the organization being arrested on charges of corruption in Switzerland in 2015. The largest of these being; The FIFA World Cup. This tournament makes teams representing entire countries and pits them against each other to make an event that rakes in hundreds of millions of dollars in broadcasting rights, merchandise and more. The 2022 world cup is going to be held by none other than Qatar. After this was announced doubt rose about the legitimacy of the election of Qatar and whether external funds had been involved. It was later announced that the price pot of the Qatar FIFA World cup was going to be approximately \$700 million further fueling the tension between FIFA and its member states.

#### Fraud and embezzlement

During periods of success and large amounts of attention certain sports have become lucrative to a point where their own industries reached up to billions of dollars in net value. As a result of these large increases in wealth, cases for embezzlement and fraud have become more frequent. Examples of such fraudulent activities include: the case of Tim Donaghy, a retired NBA referee who was accused of betting money on games that he was officiating and making calls that affected the point spread within those games from 1994 - 2007, the case of Brian Farley and the Whitehall Township youth sports club who had stolen \$120,000 as the club's non-profit treasurer around 2016, similarly to Brian Farley other

stolen \$120,000 as the club's non-profit treasurer around 2016, similarly to Brian Farley other youth sports scandals such as that of Kevin L. Baker resulted in sums of money amounting to multiple hundreds of thousands of dollars being embezzled.

After the doubts in 2015 surrounding the election of Qatar for the 2022 FIFA World cup there was searching done into sums of money that had disappeared into the organization for things such as their 'administration of funds' system designed to support some of the organization's less wealthy members as well as the election of the company's presidents. These things have resulted in various punishments such as the indiction of around 14 ex-organization members and the further 16 former and present members being charged under various separate claims.



Fraud and bending of rules have also been a relevant form of corruption, especially in recent decades where sports such as formula 1 require complex machinery and advanced technology makes it easier to cheat and get around certain rules. In the 1984 formula 1 world championship the team known as Tyrell made a modification to their car that aimed to make it lighter than the minimum legal weight. This rule was implemented in order to not have teams build cars that are dangerously light. They did this by emptying the water tank used for a supposed 'cooling system' on the track making the car lighter and then simply refilling it for the post race car inspection. This resulted in a ban and all championship points for the team being stripped. Rules regarding the car inspections have been maintained if not made stricter since, resulting in instances such as the recent 2021 Hungary grand prix disgualification of Aston Martin's Sebastian Vettel due to the failure to get a 1 liter sample of fuel from his car's tank, post-race. A similar event such as this occurred in the 2020 formula 1 season when the Mercedes Petronas team came up with the ingenious DAS system that gave their cars a significant advantage, the team was not punished since the rules allow for new systems and improvements to be implemented to the cars but was banned after a while after with the Mercedes Petronas team was not punished.

#### Spending caps

In many modern sports, officials have begun introducing spending caps which limit the amount of spending teams are allowed. Examples of such rules being implemented can be seen in Formula 1 (Motorsport), Premier/ Champions league (Football) MLB (Baseball) and NBA (Basketball). In Formula 1 for example, the spending cap for each and every team is: \$145 million, a restriction put in place in order to reduce the advantages present in teams with more funding. This budget should cover costs for building the car, crashes, repairs, modifications to the car and driver salary.

An example for when one of these spending caps was exceeded is in the Champions league when it was discovered that Manchester City's owner, Sheikh Mansour bin Zayed al-Nahyan, was providing an exceedingly large amount of funding from his personal wealth in order to purchase/ provide certain players with wages they would accept and thus, build a team much better than many others. When this was discovered the entire club of Manchester City was banned for two years from the Champions League and given a  $\in$ 30 million fine.

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# **Major Parties Involved**

#### **Russian Federation**

The Russian Federation has had multiple instances where PED schemes have been discovered in the entire Olympic team, some members even saying that they did not have a choice but to take them.

#### WADA (World anti-doping agency)

An agency that places drug restrictions over international sporting events, testing center for detection of PEDs and a highly regarded institute for the development of new and advanced performance enhancing drugs testing systems.

#### Germany

In the history of Germany's women's Olympic sports team there has been an instance where one of the era's most developed PED scheme was used in 1960.

#### Tour de France

The Tour de France is a prestigious race in the cycling world where people from different teams all come together to complete races every day over a period of time. Unfortunately this event has produced some of sports biggest Doping Scandals and therefore has played a large role (as an organization) in curbing the use of PEDs in professional sports.

# IOC (International Olympic Committee) and IPACS (International Partnership Against Corruption in Sports)

This is an organization under the Olympic banner that concerns itself with the inner dealings of the Olympic event. IOC concerns itself with corruption in the olympics because it is the main event organiser and their stance against corruption (especially the use of PEDs) has been made clear.

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## IPACS' sponsors (UK government, United Nations Office on Drugs and Crime, Organisation for economic cooperation and development, etc.)

This list of sponsors: Uk government, UN office on drugs and crime, organisation for economic cooperation and development, and the International Olympic committee are all major parties due to their constant funding and partnership with IPACS whose main goal is to mitigate the corruption in modern sports, namely the Olympic games.

## **Timeline of Key Events**

| Date   | Description of event   |
|--|--|
| Olympic games, 1960  | The East-german women's team took part in the era's largest doping scheme and ended up ranked 4th overall.   |
| Olympic Games, 1988  | Canada's track and field athlete; Ben Johnson takes part in the Seoul Olympic summer games while using steroids.                                   |
| Tour de France, 1998   | Festina cycling peloton takes part whilst all taking erythropoietin (EPO), a PED.<br>Resulting in the creation of WADA (world anti-doping agency). |
| November, 1999   | Creation of WADA (world anti-doping agency).   |
| Tour de France, 1999<br>Tour de France, 2000<br>Tour de France, 2001<br>Tour de France, 2002<br>Tour de France, 2003<br>Tour de France, 2004<br>Tour de France, 2005 | Lance Armstrong wins Tour de France from 1999 - 2005 whilst on another one of the largest doping schemes in modern sport's history.                |
| 2015   | The arrests of 2 former FIFA vice-presidents in Zurich hotel.  |

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February, 2017IPACS (International partnership Against Corruption in Sports) was founded.Early, 2020Manchester City FC is sanctioned after the discovery of an illegal funding<br/>scheme that covered costs from 2012 to 2016 and fined €30 million.

## UN involvement, Relevant Resolutions, Treaties and Events

The UN recognises the risks presented by corruption in sport and has recently passed a resolution on the subject addressing the corruption present in sports as well as its risks. This resolution was passed including a call for "strengthening of efforts in accordance with legal systems to effectively mitigate the risks of corruption" and encouragement to "developing , confidential complaint systems, whistle-blower protection programs",etc. This resolution was supported by 183 states parties to the UNACAC (United Nations Convention against Corruption).

• 'Resolution 7/8 on corruption in sport' november 10th 2017 (P.g. 24 link)

The IOC (International Olympic Committee) has also made significant efforts on an organizational level in order to reduce and eliminate corruption in as many places in sports as possible. The results of one of the main efforts being IPACS (International Partnership Against Corruption in Sport), a multi-stakeholder platform with the aim to assemble and unify countries, businesses, NGO's and more in order to raise awareness on corruption in sports. This resulted in the passing of the resolution referenced above.

The IPACS organization has different task forces aiming at eliminating different kinds of corruption:

- Task Force 1: reducing the risk of corruption in procurement relating to sporting events and infrastructure;
- Task Force 2: ensuring integrity in the selection of major sporting events;
- Task Force 3: optimising the processes of compliance with good governance principles to mitigate the risk of corruption; and

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• Task Force 4: enhancing effective cooperation between law enforcement, criminal justice authorities and sport organisations.

Furthermore, IPACS is funded by several partners including the IOC (International olympic committee), Council of Europe, OECD (organisation for economic cooperation and development), UK government and the UNODC (United Nations Office on Drugs and Crime).

## **Possible Solutions**

Other possible solutions include the further strengthening of rules and regulations designed to mitigate corruption. Regulations such as lower spending caps and funding being passed through the sporting officials scrutiny before reaching teams and team-member salary could be imposed in order to observe better what funding is reaching the sport.

Tighten laws around how athletes can be paid and through whom athlete wages and pensions go before reaching them. This would mitigate the changes of outside payments made whilst potentially trying to get around the previous point.

Encouraging the publishing of spending on certain areas of a team in order to expose the sport's audience to what funding is reaching their favorite teams allowing for more un-official observation from newspapers and other individuals. This would reduce chances of embezzlement and exceeding spending caps as well as shine a negative light on those teams who are not divulging their funding information.

Increase wages of officiating staff in order to reduce the motive towards betting on games resulting in bias and bad officiating. Illicit activities will be mitigated through making stewards and officiating staff better such as but not limited to; betting, bias, rigging, manipulation of results.

Increase funding towards research and developments of PED testing and making sanctions related to doping more severe. Governments Introduce subsidy programs for those companies who produce tests for larger events such as the Olympics in order to encourage an increase in wages for workers in those institutes to mitigate corruption within the drug testing part of the institutions.



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