

MATTHEW ENGEL



www.matthewengel.co.uk

THE FOURTH OXFORD LECTURE

“You are the earth and the Sky”.

HOW ONE MAN BECAME THE DOMINANT FORCE IN THE BRITISH MEDIA'S COVERAGE OF SPORT. DOES THAT MEAN HE CONTROLS SPORT ITSELF?

Delivered on Tuesday 8 February 2011, Green Templeton College.

Keith Rupert Murdoch, born 11 March 1931. Happy eightieth for next month, Rupe. Son of a newspaper proprietor. Had a bust of Lenin in his rooms at Worcester College.

When his father died, Rupert inherited a single evening paper, the *Adelaide News*. From there he built News Corporation, the greatest media empire the world has ever known.

*“My name is Ozymandias, king of kings.
Look on my works, ye Mighty, and despair!”*

The company includes 102 separate businesses. One of them is News International, sponsors of these lectures. Another is Zondervan, the world's leading bible publisher, whose mission is to be “to be the leader in Christian communications, meeting the needs of people with resources that glorify Jesus Christ and promote biblical principles”. Another is the *News of the World*.

People somewhat intrigued by the complications attending tonight's lecture have asked whether I'm pro or anti-Murdoch. It's an absurd question. Like saying “Do you like rain?”

Let's attempt a very quick balance sheet. Firstly – and obviously very important – it was Rupert Murdoch's benefaction that made this series of lectures possible. I am

most grateful. I am even more grateful that in 1986 he covertly created his Wapping print works and crushed Britain's print unions – which had by then turned into organizations that had more in common with gangland than trade unionism.

Without that, I don't see how Fleet Street, which has given me a good living and a wonderful career, could have survived as long as it has.

More objectively, he has built News Corporation single-handed on debt and risk and his perceptions of what the market wanted. Within Britain alone, he backed his skill and judgment to the hilt on three separate occasions when he perceived opportunities that no one else saw. Each time he was proved right. These have defined the country's media landscape and to some extent the country itself.

The first was his decision to take over the failing, earnest, leftish, middlebrow *Sun* in 1969. The day before the handover took place the new, young and then little-known owner was given space in the paper to lay out his manifesto. He didn't quite say he would be glorifying Jesus Christ and promoting biblical principles. He did say it would be "the paper that CARES... about truth, beauty and justice." In private, he reportedly expressed it slightly differently: "I want a tearaway paper with a lot of tit".

I think we know which direction was chosen. We should also be clear that Murdoch's perception of what readers wanted was spot-on. From a standing start, *The Sun* overtook the *Daily Mirror* as Britain's biggest-selling daily in just over eight years.

The second crucial decision was Wapping. The third was Sky TV. Only a churl would refuse him credit for the acuity and daring of these decisions. We may be on the brink of a fourth – and I do hope so: the end of giving away newspaper content on the internet. Again, others have lacked the guts to do what he's done.

And Sky TV is one of the wonders of the world. The Sky Plus remote control is one of the most brilliant gadgets ever invented: superbly designed. I can watch or record any programme from one of hundreds of channels in seconds. A child can do it in *microseconds*. If anything goes wrong, you ring the call centre in Scotland where a sweet woman with a soft accent will deal with the problem efficiently and knowledgably. I wish I could get the same service from BT or Barclays Bank.

BSkyB's interim profits for the second half of 2010 were up 26% to £520m. Their customer base has just hit the 10 million mark² at a time of extreme austerity, and at a time when Sky was ramping up the price of its full package above 50 quid a month, a fact I do not recall the company discussing with me before it raided my credit card.

And yet, when you look at the 102 businesses, what is the common thread? What does the *News of the World* have to say to Zondervan except maybe “Forgive us O Lord”? They are linked only by their ownership. There seems to me an emptiness at the heart of it all.

How can one equate the excellence of the Sky News service and the manipulative malevolence of its US equivalent, Fox?

How does one equate the subversive brilliance of *The Simpsons*, a programme that gets away even with gentle satire of its grand master, with the fact that on tonight’s Sky One schedule they are showing FIVE episodes of it because the cupboard is otherwise utterly bare?

And how do we equate the quality of so much in *The Times*, employer of so many excellent journalists, with the pathetic contortions it goes through when faced – as it often is – with an issue involving one of the other 101 businesses?

There is a widespread belief that Murdoch newspapers influence British elections. And it is certainly true that at every election for more than 30 years, *The Sun* has vigorously backed the winning side and in 1992, in particular, may have made a difference to the result. Murdoch’s extreme opponents might regard that as a sign of the Evil Empire’s power.

I think they may be looking at it the wrong way round. In the British context, News Corporation’s business has depended on its ability to either shape or get round the complex and ever-changing regulatory framework in which it has to operate. It needs a grateful, pliant, client government. I would say that most often, in politics as in business, Murdoch has spotted and backed winners – Thatcher, Blair, Cameron – rather than created them. Though he transcends national boundaries himself, his outlets habitually applaud patriotism. The vital question, however, is the one asked by the Holy Roman Emperor, Franz II. “Is he a patriot for *me*?”

I am not venturing into this non-sporting area just to be mischievous. This background is crucial to the theme of this lecture. The task is to find the seat of power in modern sport, this vital and ever-growing part of the economy and national life. And to do so, we have to understand something of its chief patron.

Last week we left the story at the 1990 World Cup. Britain was transfixed by Gazza's tears and the drama of the football. Rupert Murdoch was transfixed by a more personal drama.

Among the fantastic films produced by Murdoch's main film company, Twentieth Century Fox, was *Titanic*. In 1990, the unsinkable News Corp empire nearly hit an iceberg. The culprit was Sky TV.

At that time, two infant companies were battling it out to sell the British a product – the satellite dish – that met an apparently non-existent need. One was British Satellite Broadcasting, inventors of the so-called squarial. The other was Sky.

In the last lecture I mentioned how a TV aerial in 1949 was a form of social climbing. In 1989 a Sky dish was the reverse: an indication of chavviness *avant la lettre*, a sign that said "Here be a council flat with *Sun* readers and children called Kylie".

But even the *Sun* readers weren't really biting. In mid-1989 take-up of dishes was way below projections and the new Murdoch venture was losing £2m a week. "What's the difference between Sky TV and the Loch Ness monster?" ran one joke of that era. "Some people have *seen* the Loch Ness monster."

A BSB squarial might have been considered more stylish, since the company – owned by a consortium of grand media companies like Granada and my own current employers Pearson – had a more upmarket vision of satellite TV. Unfortunately, the squarial was even less visible than the Sky dish. It launched its service nine months late.

There were said to be more people at the launch party than had actually bought squarials. Mind you, it was a pretty grand launch party. This was a company with laxer financial controls than a group of footballers' wives on a shopping spree. BSB reportedly spent £80,000 on designer peppermints³. Not surprisingly, it was haemorrhaging money.

But the situation of BSB's rival, Sky, was little better, and on December 6, 1990 Sky nearly brought the whole temple down. Murdoch has used vast quantities of debt to power expansion long before it became fashionable to do so. Since his Wapping victory – and it was a *whopping* victory – over the printers three years earlier, his group's profits had doubled. But he had a vast quantity of short-term debt, which had been sold on and sliced up in the way that has become familiar, so that he owed money to 146 different financial institutions in ten different currencies⁴.

One of those institutions was something called the Pittsburgh National Bank. He only owed them 10 million quid, which in normal times Rupert could have found in his trouser pocket.

But he knew nothing about Pittsburgh, and Pittsburgh knew nothing of him, except that he couldn't pay his debts, and so the bank told the News Corp emissary that the company would have to be liquidated. The chairman of the bank, this piddly little bank in Pittsburgh, refused to speak to the boss. He, Rupert Murdoch, who could make presidents and prime ministers jump to attention.

*Nothing beside remains. Round the decay
Of that colossal wreck, boundless and bare
The lone and level sands stretch far away.*

But, no. He did manage to speak to the chief loans officer. And he begged. And he prevailed. And the debt was rescheduled⁵.

In this poker game, both sides – Sky and the old BSB - were playing with something like a 7-high, a rapidly diminishing pile of chips and no clue just how desperate the opposition was. They sank with relief into each others' arms and merged.

Ostensibly, the creation of the new company, *BSkyB*, was a draw. But the squarial investors were more diffuse, and far more interested in getting the hell out and returning to more familiar ground. And that left Murdoch with de facto power over how the new company would be run.

The old BSB was essentially a franchisee, given a licence by the great-and-good, sitting in solemn conclave on a quango in the traditional British manner, and BSB had a proud British satellite. It was bespoke, state-of-the-art, technologically whizz-bang and of course, didn't work properly.

The Astra satellite was a cheapo, using comparatively primitive technology, run by a company based in Luxembourg, and Murdoch had hitched a lift. Most importantly, it benefited from a loophole in the 1990 Broadcasting Act. This had provisions severely restricting cross-media ownership. But the final version specifically exempted "non-domestic satellites" i.e. Astra. I have heard it suggested that this was specifically designed by Margaret Thatcher's government to protect her favourite media tycoon.⁶ Such a notion is of course disgraceful and wholly unthinkable in Britain's scrupulous political culture.

The deal with BSB also gave Murdoch the right to install his own chief executive, a figure lately poached from Kerry Packer's Channel 9 in Australia, Sam Chisholm. Chisholm has been gone from Britain 14 years now. But to anyone involved in the early days of British satellite, he remains a legend.

"You can choose any adjective you like to describe Sam," one Sky executive told me. "They're all true". The adjectives regularly used included small, squat, foul-mouthed, domineering, nasty, vindictive, cunning, ruthless, occasionally charming, and usually right.

It was Chisholm, not Murdoch, who was the central figure at Sky in the early 1990s when the company began its ascent from the gutter to the stars. And it was Chisholm – obviously with his boss's support and agreement – who drove through the deal that transformed British television and sport: the marriage between Sky and Premier League football.

One curious thing about this deal is that neither Chisholm nor Murdoch actually knew anything about sport, or even liked it. When someone mentioned "the draw" to Chisholm, he said "When do they play that?" And "Rupert," said his best-connected biographer, "hates sports". Hated them at school; has no interest in them now.

There is a slightly more nuanced version of that, given me by a well-placed source. In his time, Murdoch enjoyed swimming, horse riding and tennis, even playing with John Newcombe, the former Wimbledon champion, who might not have been trying his absolute hardest.

But the sports he really likes, as with politicians, are the ones that will enhance his business interests. When he first expanded from Adelaide, an Australian Rules town, and bought his first paper in Sydney, he asked what sport sold papers there. "Rugby league," he was told. "Right," he said. "We'll feature that⁸."

He doesn't like films either, apparently, but the prevailing orthodoxy at both the original competing satellite companies was that Hollywood would be the main driver of dish sales. But this was absurd. Britain had an exceptionally high penetration of video recorders in the 1980s and 1990s⁹, possibly higher than anywhere else on earth. It was easy and normal to nip out and rent a video.

Yet the two competitors were desperate to buy up rights from the big studios. This drove up prices to crazy levels and nearly broke them both. Sport, however, was different. A VHS machine couldn't bring you live League football, something so foreign to the British experience we hardly knew we wanted it. And the timing was magical.

The popular success of the 1990 World Cup was the major catalyst that reinvigorated Britain's love affair with football. There were other factors. The Taylor Report, in the aftermath of the Hillsborough tragedy of 1989, forced clubs to bring in all-seater stadiums and curb sales of alcohol. A new generation of fans began to see a football ground as a safe place to take the children – or even, heaven forefend – the wife.

And football began to get fashionable again. Nick Hornby's 1992 book *Fever Pitch*, which sold a million copies in the UK alone, helped make soccer intellectually respectable. Not merely was it cool to like football, it was almost compulsory. The resurgence of the game not only coincided with the resurgence of the Labour Party, it helped define it. And Tony Blair discovered an enthusiasm for football that astonished his closest friends.

Most crucial of all, Sky came on the scene at the moment when the top clubs finally turned their years of chuntering into action. Encouraged initially by ITV, keen to use football as a weapon against the BBC, they finally resolved to cease subsidising the Northampton Towns and Rochdales of the world, set up their own League, the Premier League, and sell their own rights.

In 1992 this happened. And after a ferocious contest with ITV, Sky won the rights for £304m, now of course only Wayne Rooney's hourly rate, but then riches beyond the bounds of even a football chairman's avarice. The circumstances were controversial. There was considerable anecdotal evidence that Sky had inside information on ITV's bids. And some have mentioned Alan Sugar, the chairman of Tottenham and therefore party to the negotiations. Sugar's company, Amstrad, just happened to make Sky dishes. He was allegedly heard shouting down a phone "Blow them out of the water!" He later claimed he was talking to his girlfriend¹⁰.

The rest is history. Or current affairs, because that deal defines the TV that exists to this day. Sky would never be a joke again. Murdoch would never again have to beg to anyone in Pittsburgh. Or anywhere else.

For those involved it became a virtuous circle. The clubs got richer and were able to buy the world's best players, so more people wanted to watch; the top clubs were able to fill their grounds and jack their admission prices up. Players' salaries skyrocketed. And so it has gone on, as satirised – though barely exaggerated – by David Mitchell: "*All the football all the time.... Constant dizzying, 24-hour, year-long endless football*¹¹".

Even the fans were winners, in the sense that they got what they had obviously wanted all along. Much more exciting football played by much more skilful players. They were willing to pay for it and to keep paying. Those who didn't want to pay could still see Match of the Day highlights as they had always done.

So who lost? It was a disaster for marine life as millions of prawns died to fill the sandwiches in the ever-growing number of executive boxes.

Oh, and the England team. As the biennial hysteria surrounding the England team at the major international championships grew ever more insane, the performances grew ever more pathetic.

Not surprising. As the president of the Spanish League pointed out after Spain won the World Cup last summer, more than three-quarters of the players in the Spanish top division were home-grown, compared to less than 40% in England. Not surprising that England's goalkeeper let through a soft goal if the manager had hardly any keepers playing in the top division to choose from. (Three was the low, I believe. The number last weekend was up to six.)

And because the huge wages come from the clubs, it is clear that footballers increasingly regard playing for England as secondary. I don't say they couldn't care less. I do say they could care more. One might cynically note that because the listing systems still protect the World Cup and European Championships for terrestrial TV, Sky doesn't show them, so England's constant failures are not Sky's problem. Nor that of the clubs Sky funds.

Even before Sky won the Premier League, the BBC recognised that in this league it was relegation material, and that it could not afford to take part in the bidding war that was about to be unleashed. The Beeb had been repeatedly bashed over the head during the Thatcher years. It was politically impossible for it to redistribute the public's money to sporting bodies in an ever-increasing spiral. And the spiral was worse than it imagined.

"Our intention," wrote the then head of BBC TV, Will Wyatt, "was that where necessary we would be able to retreat in good order to prepared strongholds. What we could not know was that while our income was to rise by around 3% per annum, the price of the top sporting events was to rise by 30% per annum¹²."

It wasn't just a matter of football or even of Sky: in 1997 ITV took the rights to Formula 1 for nine times what the BBC was paying. Sport had been famously cheap television; now it could cost more per hour than costume drama.

But not for Sky. Because Sky had airtime coming out of its ears. It took a while even for its own executives to realise this was a totally new business model, completely different from other commercial channels. Adverts were an optional extra. What mattered were the subscriptions. If people bought the dishes and kept paying for them, it really didn't matter whether they watched or not.

You may have noticed that companies of this type do not make it easy for subscribers to resign. There is a huge amount of inertia. "Give me a fucking name on a direct debit and it's mine for life," said Chisholm.¹³ There had to be goodies in the shop window to bring in the direct debits. Dave Hill, the head of Sky Sports, said in 1991: "sport as drama and sport as soap opera – that's what people want to watch on television¹⁴".

But in the long run – despite the portentous hype and David Mitchell's accurate pastiche of it – that's not what Sky really provided. The drama came from the biggest events, from which Sky would be largely shut out by the listings regime. What it mostly offered instead was wallpaper.

BBC and, even more so, ITV were constantly under pressure to switch to something else. With three sports channels even at an early stage, any Sky event could spread itself languorously over the schedules. If the event was short, it could be lengthened by an infinite amount of build-up, previews, interviews, chit-chat and general drivel. If it was long, so much the better.

This brings us to the fascinating and vexed case of English cricket, where Sky's involvement grew and grew until, in 2005, it gained a total monopoly.

Cricket played an important – and under-estimated – role in the early development of Sky. In the early months of 1990, when Sky had the same social standing as a Rottweiler but less powerful teeth, it showed England's tour of the West Indies, an event the BBC had always spurned as too expensive.

It was also usually a waste of time, because England at that time were invariably massacred by the West Indian fast bowlers. Not this time. They won the first Test, very nearly won another. And suddenly, as with the early adopters of primitive black-and-white sets, the tiny minority with Sky dishes were much in demand.

This trend was reinforced in 1992 when Sky won the rights to the cricket World Cup in Australia, which caused the first big spike in dish sales: 100,000 in one dollop on top of what was now becoming steady organic growth¹⁵.

David Elstein, who became Sky's head of programmes a year later, warned me against over-emphasising the role of football. "It's a myth that football made Sky. What football did was it *embedded* Sky. The major increases in subscriptions actually came when the multi-channel package was launched, things like UK Gold and TNT. The other came with cricket. That's when Surrey discovered Sky¹⁶."

Cricket had always been problematic for traditional TV channels because it went on so damn long. By 1990, the BBC and the cricket authorities were starting to get mutually disenchanted. And the cricket authorities saw what Sky did with their game and liked what they saw. Sky took cricket seriously. It did not keep disappearing for weather forecasts and the 2.30 at Goodwood. Its production values were higher and its ideas fresher. At that stage, there was no question of England's home Tests going to Sky, partly because they were protected by the listings regime, partly because it was still unthinkable.

But cricket had glimpsed a world beyond the BBC and it was captivated. In 1999, it took itself to Channel 4 which promised – and delivered – more imaginative and youth-oriented coverage. For English cricket, it was like a second marriage. It said farewell to the children's mother because she had grown crotchety and unglamorous, and climbed into bed with a sexy young frippet. There was very little opposition to this change. Even the then editor of *Wisden* approved. Moi, actually.

The sexy young frippet, however, had a commitment problem. And after seven years Channel 4 got bored too, even in 2005 when a brilliant Ashes series sent ratings soaring. The game went on FOREVER. If it rained and they played late, it caused havoc with the evening schedule. Old films and daytime pap were more trustworthy, and brought in more money. Channel 4's bid for a third contract to run from 2006 was unsustainably half-hearted.

There was no route back to the first wife: BBC had found other ways of filling the time. And so English cricket – having successfully got itself exempted from the listings regulations -- fell into the arms of its third wife, BSkyB. This, however, was a far more controversial deal. Because no one was invited to this wedding unless they paid the entrance fee.

This was in my judgment a catastrophic deal for cricket. There is no live cricket on any mainstream TV channel in this country. I remember how my son – who wasn't much of a cricket fan – would watch Wimbledon, and then rush off to try out his shots against the wall. That's the magic of sport on TV and how it builds enthusiasm among those who will be next generation of fans and maybe even stars.

For cricket that is no longer possible. Because almost no one will find Sky Sports Channel 403 or something unless they are already committed cricket lovers. For football, it's a different story. There is still a huge chunk of football on BBC and ITV. It is also much more deeply rooted in the community. It's still played informally in every playground and park.

Informal cricket has almost vanished. Supporters of the deal blather that the Sky money has funded vast numbers of coaches. But just tell me when you last saw non-Asian kids playing cricket on their own without an adult.

The game made a brief comeback during the burst of enthusiasm for the 2005 Ashes. By 2009, the TV audience had dropped by 75%. In 2010, live attendances began to collapse and there were tickets available at The Oval Test for the first time in a generation. The England and Wales Cricket Board has done well out of the Sky deal. The bureaucracy has grown. Players' salaries have shot up.

But then the board had spent years lobbying the government to get the sport delisted. This is an organisation that has confused its own activities with the health of the actual sport. English cricket, I believe, has signed its own death warrant.

English rugby union briefly sold itself to Sky, saw viewing figures go through the floor and then recanted. Other major sports all maintain some presence on mainstream TV. That's how they stay major.

For sports that have bought in fully to the Sky option, the old conundrum has been turned on its head. In the BBC-ITV days they had to weigh up whether the publicity they would receive would be a sufficient benefit to outweigh possible loss of live attendance. What Sky offers is the reverse. They can get rich in the short term but the price is to disappear into a small and secret corner of the vast mansion that is the Sky menu to talk only to themselves.

The fear when Sky came into sport was that it would wreck sport with American-style crassness. But Sky rapidly dropped its wilder experiments. It didn't need cheerleaders because Sky was providing sport for fans who were already cheering.

So let's hold in our minds those two most significant but very different cases – football and cricket – and return to the question I first posed three weeks ago. Where does the power lie?

Notionally, for a sport like cricket that is totally dependent on Sky, the answer quite simply is Rupert Murdoch. If Murdoch woke up tomorrow morning and rang Lord's to say that henceforth the England team were to play all their Test matches on a beach in the Outer Hebrides at five in the morning wearing pink tutus and policemen's helmets, there might be some negotiation about the tutus. Then the officials would look for maps of the Hebrides.

In practice, Murdoch couldn't care less. And even his minions are wary of imposing their demands too forcefully. Quite clearly, Sky's requirements are the prime determinant of scheduling, and not just in cricket. But I would argue that their position is not necessarily as impregnable as it looks. Why is London staging the 2012 Olympics? Because government willed it. Which may be a polite way of saying it appealed to Tony Blair's vanity.

And as I speak, Jeremy Hunt is wrestling with the implications of thwarting News Corporation's attempts to take full control of Sky. Government has immense power, if it has the political will. Big if.

There is a third category: the administrators, especially the global power-breakers like the International Olympic Committee, a self-perpetuating oligarchy hugely puffed up with its own importance, and the masters of football, FIFA. They represent the apogee of this extraordinary breed of international sporting politician who fill the first-class compartments of the world's aeroplanes.

When we talk now about "winning the Olympics" or "winning the World Cup", it is no longer a question of the medals table or the result of the final, it is about where the event will be staged. These contests have become far more interesting and significant than much of the rubbish served up as actual competition. And more controversial, as shown by the decision to send the 2022 World Cup to somewhere called Qatar in circumstances we might politely call questionable.

These sporting politicians decide the venues, and governments suck up to them no end. If necessary, laws are changed for their convenience. As Londoners will be irritated to discover next year when they see the special Zil lanes so that important people can be whisked to venues without enduring London congestion.

At least, so far as is known, no one has yet died or actually been rendered homeless in order to stage the London Olympics. Unlike the estimated *two million* people displaced in order to stage previous Olympics over the past quarter-century. Plus the estimated 50,000 beggars kicked out of Delhi for the ridiculous 2010 Commonwealth Games, and not counting the 1,000 homes lost in Abuja, Nigeria, to allow the staging of the Miss World contest¹⁷. We can't pin any of that on Rupert.

So TV companies are powerful, governments are powerful, administrators are powerful. Who else do we have?

There is the press of course. And sure newspapers can still break, say, England football managers if they ridicule them enough. There was Graham Taylor - the "Turnip" - in the 1990s; then came Steve McClaren, the "Wally with the Brolly". But the papers now have to humiliate themselves in ways that would have been unthinkable a few years ago. In order to publish a dreary five-paragraph interview with the England fast bowler James Anderson last summer, the *Daily Mail* - the mighty *Mail!* - was forced to add the following:

England's first NatWest ODI against Bangladesh on July 8, the UK's first cricket match to be broadcast in 3D, will be live on Sky3D in more than 1,000 pubs in the UK and Ireland. Log on to www.sky.com/3dpubs to find your nearest venue¹⁸.

The *Mail* was not, last I heard, one of News Corp's 102 companies. And posher papers, sad to say, submit themselves to similar indignities: Both *The Guardian* and *The Independent* had some drivel from one of Anderson's team-mates. To secure it, they had to add the following: "Stuart Broad uses Maximuscle, Europe's leading sports nutrition brand, to maximise his sporting performance. See www.maximuscle.com²⁰".

There are increasing skirmishes between owners and authorities intent on controlling intellectual property rights. In order to attend the Ashes Tests in Australia, I was obliged to sign a lengthy document agreeing not to do thousands of things that would have curdled my blood had I bothered to read it.

Football clubs feel increasingly confident about banning photographers to protect their image rights, or journalists who get too critical. More and more, news is disseminated via official websites where the public can read them at the same time as journalists. Soon, I suspect, newspapers will have to pay to report games, and thank God I'll be out of it. There will be bleats about press freedom and no one will care.

So we now come to the more serious players in the power game. There are the sponsors, who are an important check on the rush towards satellite TV because their requirement is for maximum exposure. Or Maximuscle exposure. But sponsors tend to have short attention spans because association of a brand with a particular product has diminishing returns, as Gillette discovered when it sponsored the cricket Gillette Cup for 18 years and discovered that people thought the company was connected with cricket rather than razor blades.

Then there are the owners. Powerful indeed. But, to take the top of the Premier League as the obvious example, two new models have emerged – neither of them sensible. They fall into two totally different categories. The technical terms are “profit maximisation” and “utility maximisation”.

The first category covers the American ownership of Manchester United and Liverpool, certainly under the former lords of Anfield, Tom Hicks and George Gillett. Both sets of owners loaded the club with debt in order to cover their own acquisition of it, emphasising their own profits rather than the club’s continuing success. Since revenue depends on continuing success on the field, which in football is directly related to expenditure on players, this appears self-defeating. And indeed Hicks and Gillett have already been run out of Liverpool, to the jeering of angry Scousers.

The second category has much more in common with the old pattern of football chairmanship, in the days when the role was fulfilled by muck-and-brass millowners and haulage contractors mixing altruism, fun and self-glorification in varying proportions. These are the “utility maximisers”, whose prime object is sporting success rather than short-term profits, though their long-term goals and underlying motivation may be a little murkier.

The exemplar is Roman Abramovich, who, for reasons that have never been entirely clear, has poured a large quantity of funds that once belonged to the Russian government into Chelsea Football Club, adding considerably to Stamford Bridge’s once almost empty trophy cabinet, at some cost to the club’s soul and traditional sense of fatalism.

The same applies to Manchester City, another club with a long history of good-natured gloom, now owned by the Abu Dhabi United Group. City last year spent more on salaries alone than it received in revenue.

Because City tried to acquire Wayne Rooney, United, owned by the skinflint Glazers, felt obliged to increase his salary to £180,000. A week. In the very week George Osborne was announcing cuts expected to vaporise the jobs of half a million civil servants. But that's nothing. In 2009 David Beckham was thought to have been earning £2 million a week²¹.

Albert Scanlon was a United forward of the £20 a week generation. He had been the star of United's classic 5-4 win at Highbury in 1958, five days before United's plane crashed on the runway at Munich, wiping out most of the brilliant Busby Babes team. Scanlon was, you would say, one of the lucky ones.

When he did die 51 years later, aged 74, *The Times* obituary noted that he had recovered physically from the terrible injuries he received in the crash and resumed his career and therefore "did not qualify for the insurance payment he would have received had his career been abruptly terminated²²".

He was sold, though, to Newcastle and then to Lincoln and then to Mansfield. That's how this business goes. Later he worked as a baker, a docker and a security guard. That's how this business used to go. He did get a testimonial at Old Trafford. Forty years after the crash. We should all give some thanks to Saint Rupert. With luck, Rooney will never turn into Albert Scanlon.

But the games that transfix our country - football, cricket, rugby, golf, boxing, whatever - were not given to us by Rupert Murdoch, Roman Abramovich, the sheikhs of Abu Dhabi, or the England and Wales Cricket Board. They emerged through the mists of time from the primeval mud and the springy uplands. They are more than anything Britain's gift to the world and to ourselves. Sport is our heritage and our patrimony. It plays a vital role in our cohesiveness as a society.

It's a reason to get up in the morning, a reason to care, a reason to go on living and forget whatever misery might beset you.

This is something so precious that it shouldn't belong to any individual, be they British, Russian, Arab or Australian-American. AFC Wimbledon - which grew out of a supporters' group formed to protest against the original Wimbledon FC's move to Milton Keynes - are now top of the Conference, the highest division below the Football League, and well-placed to be promoted. It's an amazing story, a genuine people's revolution. But it's amazing because it's so rare.

Look elsewhere, and you can see a freer, better world. In Spain, Real Madrid and Barcelona are both owned by their supporters. In Germany the rules of the Bundesliga prohibit outside interests gaining any more than a 49% share of any club. The rest must remain with club members.

In 2009, this rule was reinforced by a vote of 35-1 in favour. "The result cannot be any clearer," said League president Dr Reinhard Rauball: "The *Bundesliga* remains faithful to itself and will continue to build on the factors which have made a decisive contribution to making German football successful over recent decades. These are stability, continuity and being close to the fans²³."

The stadiums are full, tickets are relatively cheap and the games are on free-to air television. Arguably, German clubs have done less well than English ones lately in the Champions League. However....

Result of the 2010 World Cup: Spain winners; Germany semi-finalists yet again, having knocked England out 4-1. England a laughing-stock.

To survive, any institution must be run in what we might call a businesslike fashion. That applies to government, to sports clubs, to universities. But we must nail and destroy the lie that sport is a business as such if we are to preserve it for future generations. It's *sport*. And it belongs to all of us.

That's why here I stand, as though I were once again seven years old and nipping through the gap in the hedge next door to ask our kindly neighbour, politely, imploringly: "Please mister, can we have our ball back?"

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¹ *Tickle the Public*, Matthew Engel 1996 p 253

² http://corporate.sky.com/documents/pdf/latest_results/Interim_Press_Release_1011

³ *Dished!* Peter Chippindale and Suzanne Franks 1991 p??

⁴ *Murdoch*, William Shawcross 1992 p 10

⁵ Shawcross op. cit, p. 17

⁶ <http://www.guardian.co.uk/media/2000/nov/20/broadcasting.mondaymediasection2>

⁷ *The Fun Factory* Will Wyatt 2003 p 256

⁸ Private information

⁹ See for instance *MarketingWeek* 4 February 1999

¹⁰ *Sky High: The Inside Story of BSkyB* Mathew Horsman 1997 p 98

¹¹ That Mitchell and Webb Look:

http://www.bbc.co.uk/comedy/clips/p007803w/that_mitchell_and_webb_look_football_rant/

¹² Wyatt op. cit. p 254

¹³ Private information

¹⁴ Quoted in *Television: An International History* ed Anthony Smith 2nd ed 1998 Chapter 6 by Steven Barnett p 94

¹⁵ *The British Press and Broadcasting Since 1945* Colin Seymour-Ure 2nd ed 1996 p 115

¹⁶ Interview with ME, 2010

¹⁷ <http://www.cohre.org/topics/mega-events>

¹⁸ *Daily Mail*, 15 June 2010

¹⁹ 27 July 2010

²⁰ 27 July 2010

²¹ *Sunday Times*, 2 May 2010

²² *The Times*, 24 December 2009

²³ <http://www.guardian.co.uk/football/blog/2009/nov/22/bundesliga-premier-league-club-ownership>