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ANTI MATCH-FIXING FORMULA: UNDERSTAND, SHARE, METHODIZE, REPLICATE

WP1- Qualitative Analysis



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ASAG
ALTA SCUOLA DI PSICOLOGIA
AGOSTINO GEMELLI



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INTRODUCTION

"As a form of social reality, sport is permeated by other social forms, as it, to some extent, permeates them. For this reciprocity, sport exercises its function of interacting with other social spaces",¹ from the economic system to politics, from the educational system to culture and healthcare. Apart from being a privileged place for "leisure time", sport ends up being also a co-productive factor in other forms of social reality. As a mediating factor, sport becomes a dynamic place for relations between groups, as well as among nations, and as a social identification factor as well as a way of functionally channelling energies, feelings and emotions, it becomes the site of individual and social psychology. In other words, it also constitutes a place for research on the bio-physiological perfection of the species and place of the economy. As a factory of free time, both for professionals and the masses, sport is linked to related marketing phenomena. It was along these elements that, starting in the 19th century, what Casini Bonetta and Porro (2000) define as the "social explosion" of the sport phenomenon took place, progressively involving states and social systems, peoples and countries. From this point of view, it is sufficient to read the following comment collected during the research: "In Italy, it was enough to have an Alberto Tomba winning ski races to increase the number of people getting involved in this sport". But beyond this "positive" aspect there is also a negative side, represented by Match Fixing. In fact, it can lead to the degeneration of commercial interests, feelings and emotions: the desired outcome is sought with all means possible, even illegal ones, with the risk of undermining the credibility of sport and the practice of sports, triggering an opposite phenomenon. No longer an attraction to a form of pleasant social reality that can bring success and consensus, but rather repulsion from a place in which the result is already decided elsewhere and where athletes do not have the slightest chance, through their physical condition, to establish real competition. Consider the following testimony of an interviewee: "When the champion Marco Pantani was arrested, cycling was struck by a negative wave. Cycling is still struggling today to get rid of the negative image that taints it". "Any time a sporting event is 'fixed' in any way, the whole world of sport suffers greatly", losing that form of mediation, of dynamic relation between groups that represents its essence and success. In the context of this study, taking into account this dual character of sport is an essential precondition for achieving a profound understanding of the phenomenon in question. In fact, in line with the psychosociological approach (Barus-Michel, Enriquez & Lévy, 2005, Kaneklin, 2001, Gozzoli, 2014), the assumption that drives our research is that a phenomenon is known and explained only when analysed with reference to the historical and sociocultural context, to the sports culture of the organisations that belong to this world, to the individual stories of the actors who participate in this world.

¹ Paolo Casini, Gaetano Bonetta, Nicola Porro, (2000) Sport, Universo del Corpo, Enciclopedia Treccani

GOALS OF THE QUALITATIVE ANALYSIS

Qualitative analysis aims to develop a **specific and substantial knowledge** with reference to:

- ✓ **The methods used by organised crime to infiltrate the legal betting industry** (see pages 12-20).
- ✓ **The spread of match-fixing practices in connection with sport betting** – this paper will focus on material dynamics and actual processes leading to match-fixing cases: preconditions, context, effective activation and ex post and fall-out phases (see pages 21-59).

As our work unfolded, in order to reach deeper understanding of the matter, we deemed it necessary to add a **preliminary goal** to the two reported above, that is, identifying the characterisations found in literature and among players and stakeholders with regard to M-F: **"Match-Fixing – keywords, definition and means of action"** (see pages 9-11).

This knowledge is the product of analysing the international literature published on this issue, as well as primary sources provided by the institutions involved in light of the view expressed by the key players in the betting process.

Running a qualitative analysis is instrumental to conceiving and designing a "Synoptic Integrated Frame", a sort of "reference navigation map" to tread on the "challenging terrain" of fixed matches, articulated in a Synthetic Tableau and Analytical Tables.

For this reason, in the implementation of the qualitative analysis particular attention was paid to the collection of quantitative schemes, data illustrated by Cartesian planes, cases, conceptual maps, flow diagrams of the corrupt process that can highlight critical points and key junctions, motivational drivers, contextual factors of dissuasion/promotion of emerging dynamics and dissemination of the phenomenon.

Therefore, this document will present a first view of a possible interpretative model – the Slippery Slope Framework – and the 5 Underlying Prevailing Patterns that have been identified as cause factors and crucial factors in guiding the action (see pages 86-95).

METHODOLOGY

Our Qualitative Analysis fits into a research and knowledge-building process that stands out for several development phases, duly shared with all project partners, which made it possible to produce several outcomes:

1. The updating of a pre-existing data-set – instrumental to have an up-to-date look in terms of development and matters dealt with by scientific and popular literature.
2. **Development of the Qualitative Analysis.**
3. **Development of the Synoptic Integrated Frame.**

A distinctive characteristic of our Qualitative Analysis was the working process based on an action research logic.

Action research is a methodology whose purpose is detecting and improving a problematic situation by involving every single actor involved. Action research procedures were theorised by Lewin (1946) according to the paradigm of a circularity between: knowing – acting – observing – reflecting and then returning to action.

Operatively, these phases require steady monitoring in order to decide whether to move on to the next one or not. Therefore a key element is **recurrence** as it applies to thought and action, leading not only to a consistently “critical interpretation” of data, but also to a “circular movement” between sources, collected data and various working steps.

In order to collect data useful for the construction of Qualitative Analysis (and of the Synoptic Integrated Frame), various sources of information and data analysis tools were used, as detailed below.

- ❖ Analysis of national and international literature.
- ❖ Data sourced/talks from seminars and conferences at a European and international level.
- ❖ Interviews and focus-groups (matched with graphic productions) with:
 - ✓ Project partners
 - ✓ Experts in the field at an Italian level (21)
 - ✓ Experts in the field at a European and international level

The interviews and focus groups were transcribed literally and analysed using the Atlas.ti software, while content analysis was run to highlight recurring thematic elements, either transverse or specific. Most of the interviews were done with Italian actors and stakeholders, though these were complemented with those of European actors and stakeholders. Moreover, a structured observation and interaction programme was deployed with the European actors and stakeholders involved by means of the steady presence of a researcher to public events on Match-Fixing.

Note on methodology: in some cases the focus groups were difficult to implement, thus individual interviews were done instead

The focus groups, except for those carried out with Italian journalists, proved to be difficult to organise because, given the delicacy of the subject, it was considered more appropriate to study the topic through the exchange made possible by interviews.

Before analysing the results, it is important to highlight some elements with respect to the dialogue and integration of sources:

- ❖ There are many synergistic and converging elements on the matters at hand.
- ❖ **No significant contradictions emerged** between the data found in literature and those from the interviews.
- ❖ Some "unsaturated" areas emerged in literature in comparison with the interviews and vice versa.
- ❖ **Higher articulation is detected for some specific themes in lieu of others** depending on the role.

MATCH-FIXING, KEYWORDS, DEFINITIONS AND ACTIONS

Keywords used to define the phenomenon

From the analysis of the various interviews done, when it comes to Match-Fixing (hereinafter M-F), trying to give it a consistent definition clearly reveals the massive proportions of the problem and the ensuing difficulty in defining it in brief and unique terms.

It is possible, however, to identify a number of key elements recurrent in the phenomenon and observed by various parties belonging to different institutions and thus observe the phenomenon from different perspectives.

Through their intersection one can arrive at a definition of M-F. Below is a detailed list of these elements.

An organised illegal system involving multiple subjects, with a widespread and far-reaching network	Fixers inside and/or outside the legal system	Low-risk, highly profitable illegal activities entailing corruption, fraud and money laundering
Premeditation	Exploitation of legal and illegal betting networks	Multiple betting options, which make it difficult/impossible to monitor the problem
National and transnational reach	Opacity of the involved actors and interests	Unknowing victims

A possible definition

In the light of the material gathered – by means of their comparison and cross-integration – we came to the following definition:

“Match-Fixing may be defined as a national and/or transnational sport fraud, at once very widespread and difficult to control. Match-Fixing is targeted at selecting and manipulating specific sport events (major or otherwise) in order to ensure that – thanks to the predetermination of partial and/or final results – by placing a bet (on either a legal or an illegal network), on that specific event, the accomplishment of significant, mostly financial, advantages at a relatively low risk is guaranteed”

For the moment this insidious problem does not involve all sport disciplines, but it is spreading fast.

DIVING DEEP

M-F destroys the very foundation of sport: do athletes no longer compete to win and become actors in a farce?

What fails here is the ontology of sport, since the issue is no longer winning or losing, because what matters in the end is financial gain.

Types of Match-Fixing

Making the definition and the very understanding of M-F even more difficult are the various forms that the problem can take.

In fact, according to the materials collected, the M-F phenomenon can be grouped into two macro categories (see the detailed work of Declan Hill, 2015, for example).

- **Arranged MF:** The goal in this case is to gain a sporting advantage (for example, to ensure a victory for a team, to ensure a loss to be able to have an advantage against a team faced in the next match, to rest athletes in view of subsequent more important and difficult matches). More typical in leagues that are small and regional rather than at the national level, low-level leagues, especially at the end of the season.
- **Gambling M-F:** The goal here is to manipulate the sporting event to maximise betting profits. This form of "less traditional" corruption is usually observed in major national leagues or international competitions. Within this macro category further distinctions are possible to the extent that maximising betting profits may depend on different reasons:
 - To respond to the personal/financial needs of the team.
 - To deploy forms of insider trading.
 - For the interests of organised crime.

With respect to this phenomenon, it is also possible to make a distinction as to how M-F is executed (Dino Numerato, 2015).

It should be specified that these different methods should not be understood as independent of each other. To the contrary, they are interconnected.

- **Direct:** With this method, the M-F assumes an active role as well as direct engagement of athletes or coaches in promoting corruption. In fact, athletes and coaches are the primary corrupt parties because they influence the outcomes of the sporting event.
- **Mediated:** In this type, the primary actors are referees who can promote corruption on site or remotely. The on-site form is based on an agreement between club "A" and a referee who influences the outcome in favour of club "A" to the detriment of its opponent. For the remote form the referee influences the outcome of a game between club "C" and "D" in favour of club "A".
- **Meta:** With the meta method, the actors with an active role are primarily those responsible for the analysis of the sports event, like federation officials, media representatives, inspectors. This form of corruption can take place ex ante or ex post. Both forms are usually connected to other forms of M-F. In fact, its purpose is precisely to ensure the success of corruption or to hide the corruption itself.

Recently, there has also been another way in which M-F is developing, i.e., taking control of the sports club through the legal purchase of the club itself. In fact, acting internally is easier than acting externally.

ANALYSIS NOTES

An interesting element emerging from a comparison between the literature and our interviews is that in the former there is an accurate classification of how M-F can manifest itself; in the latter, on the contrary, the problem is defined either in general terms or by quoting a single method used in specific contexts.

This element may be due to the fact that the various actors we interviewed – consistently with their role and their professional profile – tend to have a vision that, as comprehensive as it may be, can still be quite incomplete. For this reason relentless dialogue and comparison are needed to attain a deep and complex view on multiple levels and dimensions

In summary

We are at a perfect point of convergence and knowledge and vision sharing. Nevertheless, only in very few works and interviews does a deep understanding of the problem appear, together with an overarching and comprehensive capacity for analysis.

What emerges, then, is rather an interpretation "by segments or fragments" of the various actors and stakeholders. This brings to the surface the need for building and consolidating interpretation capacities able to dig deep into the problem.

METHODS USED BY ORGANISED CRIME IN ORDER TO INFILTRATE THE BETTING INDUSTRY

Over the past two decades criminal organisations have moved from being local, strongly family-oriented establishments to international/transnational organisations, with diversified activities, both legal and illegal as well as multiple operational patterns. In fact, organised crime has been able to adapt without any major difficulties to changes in political regimes, dictatorships and democracies, without ever going bankrupt. To the contrary, by exploiting globalisation it has taken advantage of changes in regulations, flaws in legal and judicial systems, the opening of borders and the growth of free trade.²

The new information and communication technologies (NICTs), which gained ground in the Nineties, not only created the material conditions for economic globalisation, but were also used by large organised crime groups to expand their international reach. These structures have increased their transnational activities and established inter-TCO (transnational criminal organisation) relationships. They have also increased their involvement in the offshore system. According to the United Nations, world crime represents 2% of global GDP (\$1.2 trillion, excluding tax evasion). Transnational organised crime alone generated \$870 billion in 2009. This corresponds to 1.5% of global GDP or six times the total annual amount of public development aid.³

Gambling, both legal and (in most cases) illegal, has always been a magnet for crime. Very often organising gambling has played a key role in the development of organised crime. All major TCOs have been or are currently involved in gambling, one way or another. The interest of organised crime networks in infiltrating their own illicit activities into the world of sport betting is clearly due to the high level of business characterising this industry (see Table 1, first line).

² "Sports betting and corruption How to preserve the integrity of sport IRIS, 2011-2012"

³ "IRIS White Paper 2013 Money Laundering: The Latest Threat To Sports Betting?"

TABLE 1 – ESTIMATED PROFITS IN THE LEGAL AND ILLEGAL BETTING MARKET (YEAR 2012)

Even though it reports data from 2012, this table allows comparing the estimated profits (by wagers and operators) in the illegal and legal betting sectors (on-line and off-line).

2012	Wagers	Payout rate	Winnings paid to gamblers	GGR*
Legal market	€60,000m	80%	€48,000m	€12,000m
Illegal online market	€75,000m to €300,000m Assumption: €220,000m	96% to 99% Assumption: 98.6%	€77,000m to €297,000m Assumption: €217,000m	€3,000m
Illegal offline market	€75,000m to €300,000m Assumption: €220,000m	96% to 99% Assumption: 98.6%	€77,000m to €297,000m Assumption: €217,000m	€3,000m
Total global market	€210,000m to €660,000m Assumption: €500,000m	86% to 97% Assumption: 96.4%	€192,000m to €642,000m Assumption: €482,000m	€18,000m

* GGR (Gross Gaming Revenue): amounts retained by operators once winnings have been paid (GGR = wagers – winnings). GGR represents the sum of player expenditures, that is, their losses.

It is also apparent from the estimates reproduced in Table 1 that the illegal betting market:

- ❖ May be worth more than seven times the legal betting market (first column).
- ❖ Offers significantly higher gains (second and third columns).
- ❖ Is characterised by significantly less severe losses (fourth column) than the world of legal betting.

The relationship between the legal and illegal turnover in the world of betting is absolutely peculiar when compared with those estimated for other sectors. For example, for counterfeit consumer goods or tax evasion, the ratio (of counterfeit revenues compared to those of the "authentic/original" market, or between tax evasion versus taxes actually collected) is well below 1. In addition to the large volume of business in the legal sphere, it can be understood that the interest of organised crime in this sector is mainly supported by profitability in the field of illegal betting. As part of the possibilities of infiltration of organised crime, a third factor of note – in addition to the revenues of legal gambling and profitability of illegal gambling – is the possibility of carrying out money laundering, which is possible both with legal and illegal gambling (the topic of money laundering in the betting world is the subject of a specific discussion in the next paragraph).

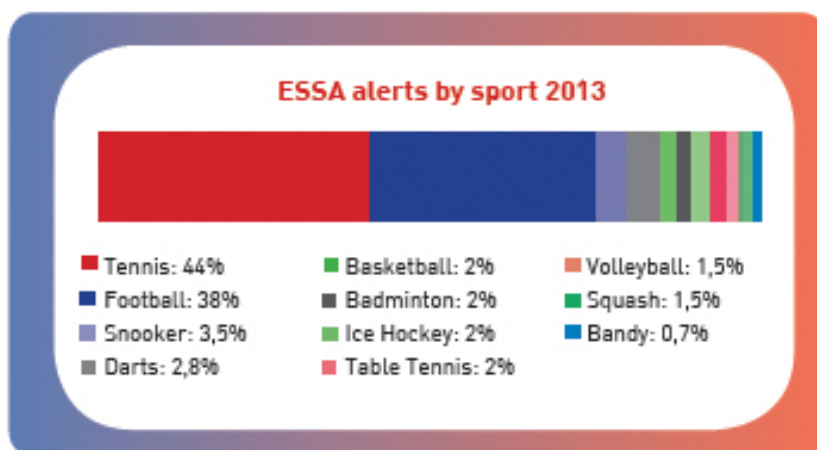
In order to convince athletes to fix a match, some criminals employ a "classic" method: threats. This method implies the use of verbal approaches to put pressure on a person, or blackmail or physical violence. The other form of direct approach is that of "financial" corruption, i.e., to offer a sum of money in exchange for a reduction in performance. The use of intermediaries specialising in corruption is another traditional approach. In most cases these intermediaries are former professional athletes, agents or people involved in sports, who are known in sports circles and enjoy a good reputation. Ideally, therefore, the intermediary is someone in the same environment as the athletes who can be bribed, someone who can reassure them about the risk they are taking. These

intermediaries can also identify those athletes who can be regarded as "ideal targets": weak, psychologically frail, suffering from financial trouble or possibly at the end of their careers.⁴

The victim disciplines may vary from one Country to another, though criminal networks usually target the most popular sports.

«there is no such thing as
"sport mafia"
but mafia investing in
sport»

The growth of betting worldwide is a boon to criminal organisations. Noel Pons, a specialist in criminal organisations and fraud, says: "The concentration of a number of money-laundering and fraud resources in a single uncontrollable geographical area allows criminals to launder money and to optimise the profitability of corruption".⁴



In Europe, for instance, football attracted criminals because of minimum risks and weak control systems.⁵

In this regard, football betting is among the best known (see figure 1) and emblematic cases:

- ❖ Due to the widespread interest in the sport, supported by constant and important marketing actions.
- ❖ Due to the size of the business turnover (for example, with regard to the English Premier League see the data in table 2).

⁴ "Sports betting and corruption How to preserve the integrity of sport IRIS, 2011-2012"

⁵ "WHY SPORT IS NOT IMMUNE TO CORRUPTION" Transparency International – Czech Republic Compiled by Radim Bures (2008)

- ❖ Because of the numerous possibilities for M-F that the characteristics of the discipline allow. In fact, the result of a football match is much more easy to manipulate than the outcome of other sports competitions because there are many fewer potential winners (two teams instead of n participants), and because other aspects can be manipulated in football in addition to the result, (e.g., yellow and red cards, number of fouls, etc.).

FIGURE 1 – THE FOOTBALL BETTING SCANDAL

The visual map shows not only the mechanism of M-F that allows organised crime to earn money by betting on bought games, but also the activities and actions implemented by the investigative and judicial system.

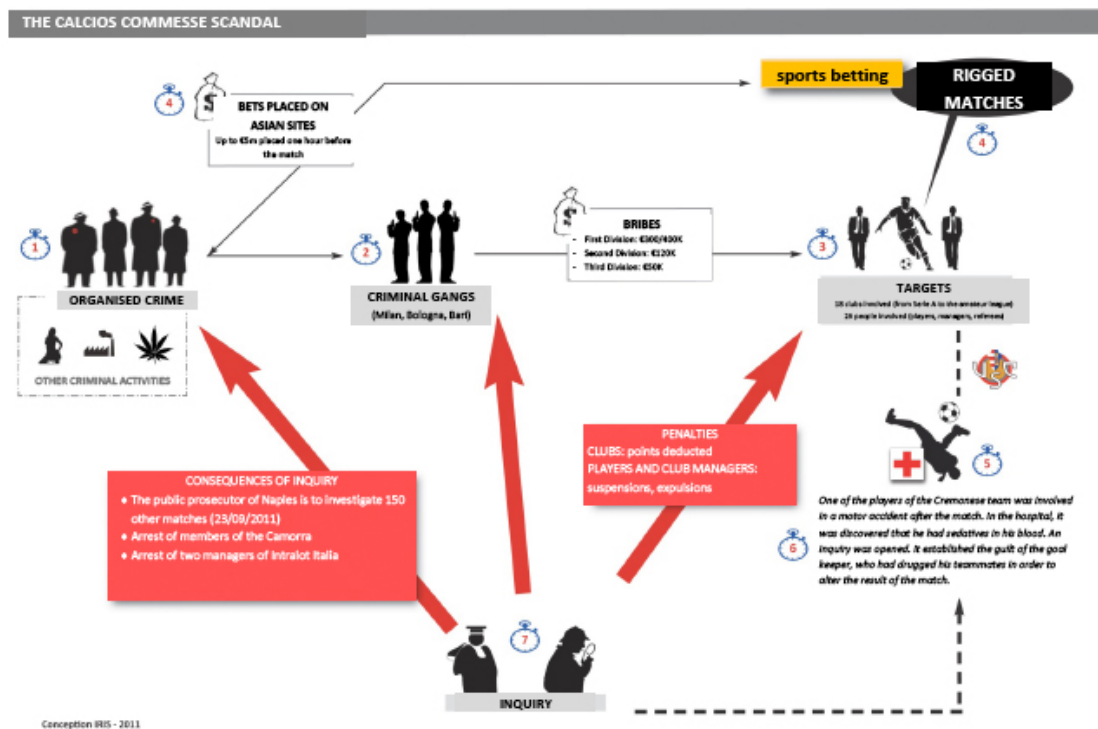


TABLE 2 – FOOTBALL BETTING REVENUES: THE CASE OF THE PREMIER LEAGUE

For the vast majority of the total number of 120 Premier League matches, Betfair offered all of the above-mentioned betting markets. The combined betting turnover for all betting markets was £855.249.389.

The table below shows the distribution of the betting volume over the different betting markets.

		Pre-match	Live	Total	% total volume
Main		256.697.383	479.343.129	736.040.512	86
Main derivative		47.525.807	52.149.330	99.675.137	11,72
Asian Handicap		4.816.582	1.482.207	6.298.789	0,74
Side bets	Goalscorer	7.762.528	378.796	8.141.324	0,95
	Cards/Bookings	1.851.765	906.935	2.758.700	0,32
	Corners	2.036.676	7.090	2.043.766	0,24
	Penalty	291.161	0	291.161	0,03
Total		320.981.902	534.267.487	855.249.389	100

Table 3 – Total betting volume across the betting markets (in £)

	Main		Main derivatives		Asian Handicap		Side bets	
Pre-match	89.660.793		13.496.960		1.977.254		1.484.967	
Live	289.029.315		22.112.876		1.356.526		211.601	
Total (%)	378.690.108	90,3	35.609.836	8,5	3.333.780	0,8	1.696.568	0,4

Table 1 – Total betting volume across the betting markets (in £)

Money laundering and the betting industry

Money laundering means turning the proceeds of criminal activities into legal assets, such as real properties, luxury goods (jewels, works of art), or new "clean" money, which can therefore no longer be connected with the illegal activities from which it originates. Turning dirty money into clean money is a slow and non-linear process. It is a complex operation that often involves multiple banking, financial or real estate transactions.

FIGURE 2 – THE MONEY-LAUNDERING PROCESS

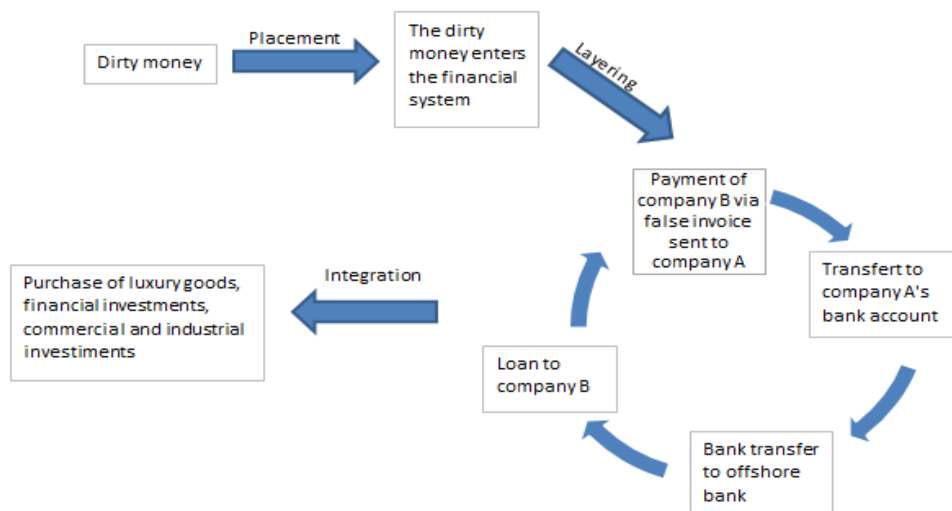


Figure 2 depicts the typical "money-laundering" process, having three distinct phases:

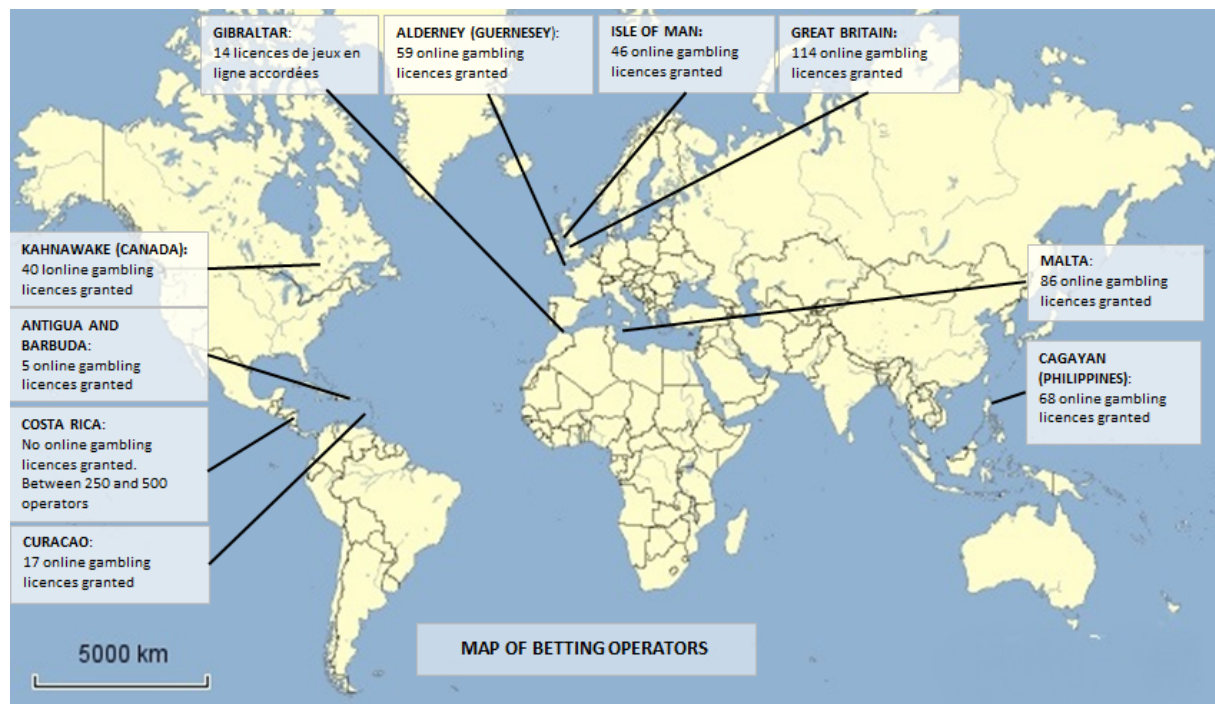
1. Placement, the phase in which money is moved from its original illegal source (e.g., currency smuggling, drug trafficking, etc.) into a legal financial system (e.g., finance, purchase of assets; but also the betting market).
2. Layering, whose goal is to shield the traceability of transactions by means of such activities as converting cash money into other financial instruments (e.g., banker's drafts, money orders, etc.), the purchase and resale of assets or the transfer of payments/loans through several intermediaries (including, for the sake of argument, betting market operators).
3. Integration, in which the laundered, "clean" money finds its way into the legal economy (in the case of betting, as an apparently legal "win").

With a large number of transactions executed simultaneously in different financial and economic sectors, it is difficult to identify the true source of laundered wealth. Changes to a set of parameters in the sports betting market provide a clear explanation for the emergence of new risks of money laundering. A criminal wanting to launder money can fix a sporting event by corrupting an athlete, a referee, an official, etc., use part of the dirty money as a bribe (10-20% of the total, for example) and bet the rest on the outcome of the sporting event – whose score has been pre-determined – with one or several legal operators. This operation is particularly interesting because criminals generate sizeable profit and hold proof of their wins, which allows them to launder their dirty money. Sports betting sites are often at risk for attempts at identity theft. By forging an identity card or even bank information, the "launderer" can fool control systems. Moreover, when the bets are placed with an illegal operator, the path of the bet may not be controlled nor monitored. This situation is made worse by the fact that in practice no country pursues gamblers who place bets illegally: illegal operators break the law, their clients do not. Also, when it comes to legal betting, in some circumstances it is impossible to monitor the stakes on sport bets.⁶ The world of betting, both legal and illegal, is therefore an important opportunity for money laundering due to the high liquidity and international cash flow, but also due to limited international regulation (particularly for betting on sports) because winnings in some jurisdictions are exempt from taxes, and also because of the high pay-out rates compared to the return on other financial investments (Anderson 2014). Finally, the growing spread of online betting and the globalisation of markets (including sports and betting) make it even easier to launder the money and bring it into the official economy. Money laundering activities, moreover, have interesting contact points both with the field of betting (legal) and in actions taken to combat illegal betting.

As concerns the betting industry as a whole, an interesting relation may be observed in terms of geographic distribution between the countries with the highest concentration of major players in the betting market and the countries where, using offshore accounts or so-called "tax havens", money laundering turns out to be much easier (see figure 3).

⁶ "IRIS White Paper 2013 Money Laundering: The Latest Threat To Sports Betting?"

FIGURE 3 – LOCATION OF LEGAL SPORTS BETTING OPERATORS (ON-LINE & OFF-LINE)



With regard to actions taken to protect security in the field of betting and controlling the operators, there is an interesting relationship between the latter and anti-money laundering actions (see table 3), indicating a connection between these phenomena. In particular, a covariance analysis between the dimensions analysed in table 3 shows (in our calculations) high levels of correlation between efforts to counter money laundering and the "sensitive" nature of the betting sector ($r = .58$), the fight against illegal betting ($r = .72$) and – above all, as shown in figure 4 – the level of operator control ($r = .87$).

TABLE 3 – AN ATTEMPT TO RATE THE MAIN COUNTRIES IN TERMS OF SPORTS BETTING SECURITY

30 countries analysed – basis for analysis: Sorbonne-ICSS research programme on Ethics and Sport Security.
 NB: the scores must be put in perspective as they are only intended to show a rough trend and are not backed up by intangible proof

<u>Country</u>	<u>Sensitive nature of betting</u>	<u>Combating illegal gambling</u>	<u>Anti-money laundering procedures</u>	<u>Control of operators</u>	<u>TOTAL</u>
Weight of criterion	2	3	3	2	10
<u>Alderney</u>	1	0	1	0.5	6
<u>Antigua</u>	0	0	0.5	0	1.5
<u>Australia</u>	2	2	2	1.5	19
<u>Austria</u>	0	0	0.5	0.5	2.5
<u>Belgium</u>	1.5	2	2	1	17
<u>Canada</u>	2	0.5	0.5	1.5	10
<u>China</u>	2	1.5	1	1	13.5
<u>Costa Rica</u>	0.5	0	0	0	1
<u>Cyprus</u>	0.5	1	0.5	0.5	6.5
<u>Czech Republic</u>	1	0.5	0	0.5	4.5
<u>Denmark</u>	1.5	1.5	0.5	1.5	12
<u>Finland</u>	2	1.5	1.5	2	17
<u>France</u>	2	1.5	2	1.5	17.5
<u>Germany</u>	2	1	2	2	17
<u>Isle of Man</u>	0.5	0	1	0.5	5
<u>Italy</u>	1	1	2	1	13
<u>Japan</u>	2	0.5	1	1	10.5
<u>Malta</u>	0.5	0	0.5	0.5	3.5
<u>Mexico</u>	1	1	1	0.5	9
<u>Netherlands</u>	2	1.5	1	1.5	14.5
<u>Philippines (Cagayan)</u>	0	0	0	0	0
<u>Poland</u>	1	1	1	1	10
<u>Russia</u>	1	0.5	0	0	3.5
<u>South Africa</u>	2	1	2	2	17
<u>South Korea</u>	2	1	1	1.5	13
<u>Spain</u>	1	1	1	1	10
<u>Sweden</u>	2	0.5	1	1.5	11.5
<u>Switzerland</u>	2	1	1	1.5	13
<u>UK</u>	1	0	1	1	7
<u>USA</u>	2	1.5	2	1.5	17.5

Sensitive nature of betting: 0 (not taken into account), 1 (partially taken into account), 2 (taken strongly into account)

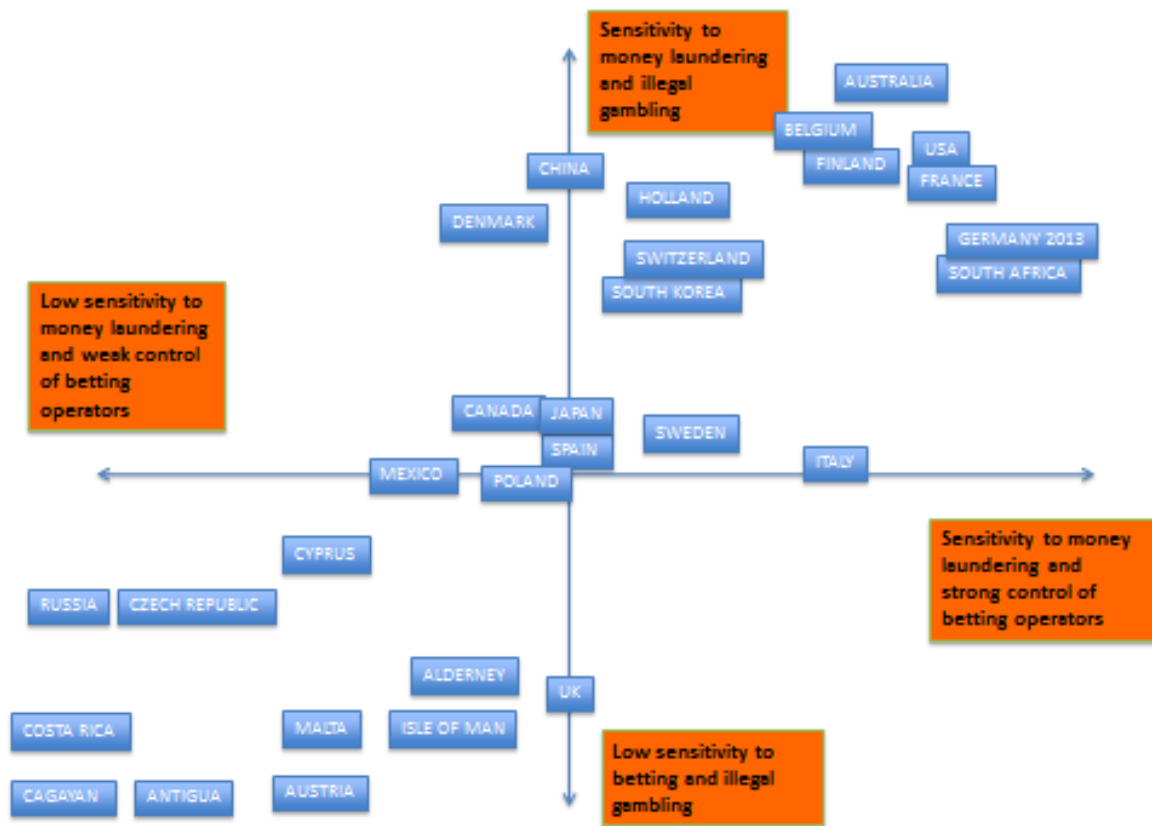
Combating illegal gambling: 0 (none or not applicable), 1 (legislation exists but is relatively ineffective), 2 (legislation exists and is effective)

Anti-money laundering procedures: 0 (none or poor), 1 (existing – at least due diligence and suspicious transaction reporting but ineffectively applied), 2 (strong and applied)

Control of operators: 0 (non-existent or poor), 1 (partial or correct control), 2 (high level of control)

Obviously, not all countries are equally involved in actions aimed at combating money-laundering through the betting sector (figure 4).

FIGURE 4 – XY DISTRIBUTION OF 30 COUNTRIES BASED ON THEIR SENSITIVITY FOR MONEY LAUNDERING AND OPERATOR CONTROL



ANALYSIS NOTES

Money laundering and M-F do not always appear hand in hand (there can be M-F without money laundering and vice versa).

Studies and research on these two topics only partially focused on the interconnection between M-F and money laundering.

Still, considering the threat posed by the phenomena together and the ensuing infiltration of organised crime in the betting industry, this matter must be further explored and analysed.

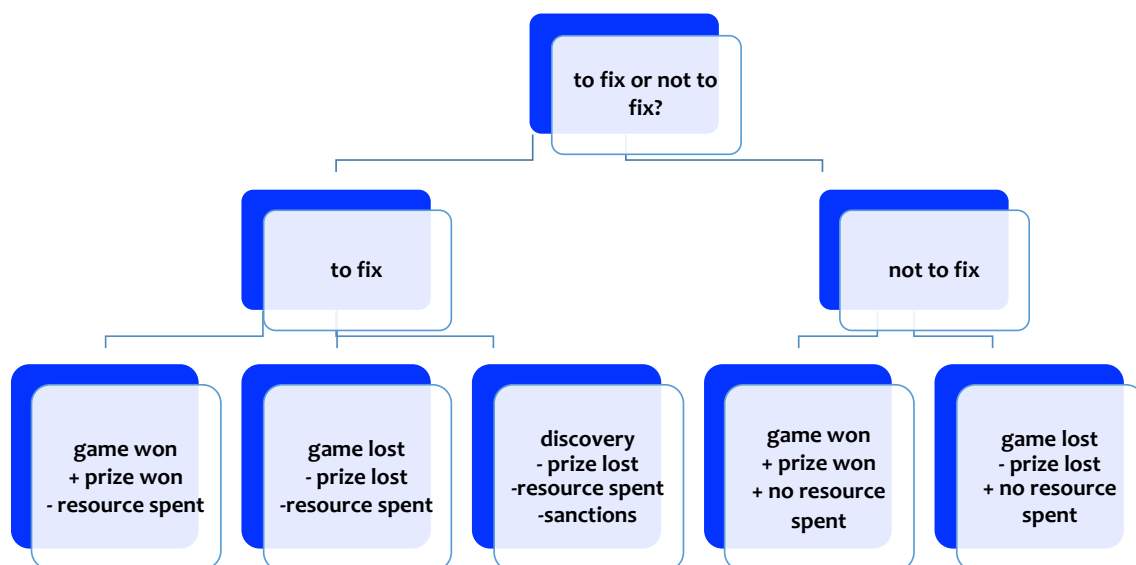
THE SPREAD OF MATCH-FIXING PRACTICES IN CONNECTION WITH SPORT BETTING

Preconditions

The frequent interplay between M-F and organised crime is now commonly recognised. However, as pointed out by Moriconi (2016) some aspects should not be underestimated:

- *M-F should not be attributed only to organised crime.*
- *The actors involved in M-F are not just "dangerous and ruthless" individuals.*
- *The fear of sanctions, if caught, cannot be used as the main deterrent in preventing M-F.*

One of the questions that one can legitimately ask when it comes to the topic of the M-F is why is M-F done. Declan Hill (2009) offers an interesting analysis in this regard. According to the author, analysing the pros and cons of choosing between a legal bet or an illegal bet, it is clear that it is always cheaper to choose the legal one.



Though a simplification of reality, the diagram shows how choosing to bet refusing M-F – both in case of win and loss – is most convenient from a purely logical point of view, as opposed to betting with the aid of M-F. In fact, by deciding to bet without M-F:

- ✓ A win guarantees a doubling of the bet because in addition to the advantage linked to winning the prize, no personal investments were made to ensure victory.

- ✓ In the case of a loss, while there is no financial win, the choice of a legal bet does not involve an expenditure of personal resources associated with corruption to ensure the desired result.

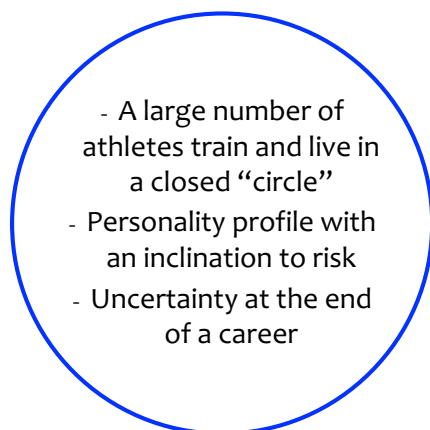
Conversely, with betting through M-F none of the possible outcomes can guarantee an "absolute" gain (as opposed to legal betting):

- ✓ With a win, while there is a financial advantage of winning the prize, there is the disadvantage of consuming personal resources for the purpose of bribery to secure the desired result.
- ✓ In case of a loss, the disadvantage is double because besides there being a loss of earnings there is also the loss of personal resources invested for the corruption to fix the outcome of the match.
- ✓ If the M-F is discovered, in addition to the disadvantages mentioned above there is the further drawback associated with the application of penalties.

Below we propose a series of elements that can assume the role of factors to facilitate the choice of committing M-F, although from a logical point of view it is less cost effective. *It is worth noting how in the analysis of the literature regarding the preconditions, attention is placed on a multiplicity of factors, while in the analysis of interviews only financial and technical issues (related to the betting system) emerge.*

Factors in favour of Match-fixing

Psycho-social factors



It is important to understand the specific characteristics of athletes that contribute to explaining their vulnerability to corruption.

An important element regards their education and their environment. A large number of athletes train and live in a closed circle within which their behaviour is predefined and calculated, with a strong influence of sports managers, relatives, medical consultants and even journalists. A lack of perspective outside this closed environment can lead to diminished ethical judgements by an athlete.

A second key for understanding lies in the relationship between money and sports. Athletes are essentially individuals who are extremely familiar with the concept of "risk" (risk of losing a game or competition, the risk of

injury etc.). The sense of thrill, of adrenaline given by a sport and competition can sometimes extend to gambling, and, in particular, to sports betting.⁷ Basically, a person with a personality having "a propensity for risk-seeking" – as is often found among professional athletes – might be more inclined to commit M-F because he is attracted by the constant search for danger and adrenaline and/or not caring about the consequences associated with a crime. Finally, the lack of financial security among athletes should also not be ignored. In fact, as shown by the literature (Declan Hill, 2009, 2015; IRIS, 2012), among athletes the choice to accept corruption can also be motivated by a concern for the future. The few guarantees related to the prospects at the end of his career and the loss of status may represent factors that can exert a strong pressure.

In other words, the difficulty of seeing alternative ways of ensuring financial security at the end of a sporting career can act as an incentive to accept the gains related to corruption. Not to mention that, compared to other criminal activities, M-F can be a "source of income" that involves lower risks. In fact, the answer to the question "If I were caught what penalties would there be?" is that, to date, there have been very few cases of significant sanctions on athletes and/or teams who sold matches.

DIVING DEEP

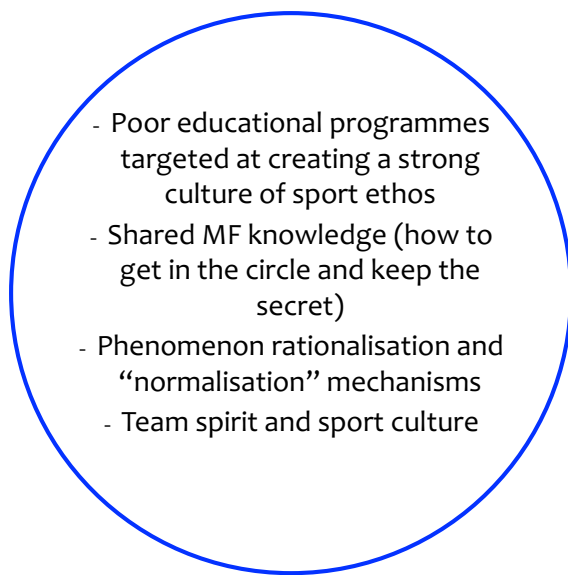
It is not simple to define the role of athletes. Are they victims? Are they accomplices? Are they passive or active?

Athletes stand out for constitutive frailty. The sport industry should be defined as a world of "crystal Samsons", as athletes come to terms with the inner and outer request to perform always at the top, having to constantly manage states of anxiety and pressure.

Moreover, athletes are made even more frail by their surrounding context, and they often prove to be ill prepared to manage – consistently with the evolution of sports – the dynamics that characterise it.

⁷ "Sports betting and corruption How to preserve the integrity of sport IRIS, 2011-2012"

Cultural factors



One factor that appears most frequently both in the analysis of the interviews and in the literature (Declan Hill, 2015; IRIS, 2012; Marcelo Moriconi, 2016; Dino Numerato, 2015) is the lack of educational programmes that are truly able to create a strong culture of sports ethics which allows athletes to build a vision of reality that is complex, going beyond the narrow circle within which they train and live.

On the contrary, there seems to be widespread "Shared M-F Knowledge": in fact, there are a number of "tips" and established practices that one can refer to in order to understand "how to get involved in M-F, without it being visible to others", and the names/roles "to talk to". Indeed, it is often the sporting culture that convinces the team to engage in M-F. In some cases, it was found that although the team is strong, it might decide to sell a game because the corruption mechanism has become a part of the team management dynamic itself (for example, in order to rest players for a more important upcoming match). Furthermore, to counter any ethical issues, rationalising and "normalisation" methods can be engaged to justify M-F. One example is the pyramid justification mechanism proposed by Dino Numerato (2015): according to this mechanism M-F is acceptable to the extent that corruption in the lower level clubs is justified by the presence of corruption in the higher levels, and corruption in higher level clubs is a reflection of society, as if to say "to avoid being scammed it is cheaper to become scammers".

Financial factors


Sport is becoming more and more relevant in the global economy. In fact, the business of sports (excluding the parallel market of illegal sports betting) accounts for nearly 2% of the global gross domestic product (the absence of proven data collected in a pre-established statistical and accounting framework prevents the calculation of a precise value). This estimate, based on partial numbers, makes sports one of the largest business sectors, surpassing the textile and steel industries in developed countries. Adding the weight of illegal sports betting, the value would increase 20% to 50% based on a low valuation and almost 100% based on the highest estimates.

More precisely, the advent of a global sports market has resulted in a certain number of changes in the sports world.

- ❖ Sporting events and their immediate derivatives (sporting events on television and sports betting) are the most globalised component of the sports economy (the annual number of international or world sporting events is increasing exponentially: 20 in 1912, 315 in 1977, 660 in 1987 and 1,000 in 2005).
- ❖ The globalisation of the sport sponsoring market and the sporting goods distribution market.
- ❖ The globalisation of the market for high-level athletes and its management.
- ❖ The uncertainty of results threatened by the economic globalisation of sports represents the whole point of competitions and justifies the invested sums, in particular in the training of athletes, buying clubs, organising competitions, negotiating broadcasting rights, sponsorship contracts, etc.
- ❖ The current funding model for large sports clubs is becoming increasingly globalised: in the professional sports model that prevailed in Europe until 1990, the finances of the club were derived mainly from national or local sources (ticket office, public grants, private donations, contributions of members and sponsors) and during this period revenue obtained from television broadcasting rights constituted a small part of the funding. But in the late 1990s, a new model developed where funding came from the media, particularly through broadcasting rights, followed by super-rich owners who invested in the club and often appointed their own people to manage the clubs. In addition, clubs have developed merchandising operations, i.e., some clubs have specialised in the training of young players, earning money from the transfer of these players into the global market, while other clubs have transformed into corporations with shares sold on the stock market.
- ❖ Subjection to European Union law: logically, the advent of sport as a global business means that it falls under EU law.

Furthermore, the betting world features major similarities with financial markets. Betting and financial products have the same structure as aleatory contracts, i.e., contracts whose outcome depends on uncertain events. If one of the parties possesses information regarding the outcome of the contract, of course this provides an advantage (which is why the law prohibits those who possess inside information from buying or selling particular financial stocks). Similarly, the concept of information efficiency can be used to understand the way in which bookmakers determine their odds using the rules of calculation of probabilities.⁸

⁸ "Protecting the Integrity of Sport Competition The Last Bet for Modern Sport An executive summary of the Sorbonne-ICSS Integrity Report Sport Integrity Research Programme, 2012-14"

- 
- E-commerce: lower prices and access to low-regulation Countries
 - New forms of trading (e.g. remote betting)
 - Cash increase: M-F as a form of insider trading to reap large sums of money with a small impact on price
 - Liquidity coverage: break down countless amounts of money on different betting outlets in order to launder the profit behind the screen of legal receipts
 - Small jackpots do not allow athletes, trainers and agents to cover the costs

According to the literature (David Forrest, 2012; David Forrest, Ian Kevin McHale & McAuley, 2008), one of the main factors that seems to facilitate M-F is the steady increase in e-commerce. This form of business, in fact, led to a series of changes that can facilitate and make it difficult to identify corrupt actions:

- Lower prices.
- The increase and expansion of the consumer network (although in some countries the controls are strict, the market can be moved or pass through countries with fewer restrictions and regulations).
- New forms of trading (in fact, betting remotely increases the difficulty of identifying suspicious cash flows).

As evidenced by one respondent, it is a situation that has been created by respecting a law of the market that actually facilitates and exacerbates the phenomenon.

What makes M-F attractive to organised crime is precisely the fact that as a form of insider trading, due to the high liquidity it is possible to introduce large amounts of money with a small consequent impact on the price. In other words, M-F provides coverage of the liquidity, as it allows breaking up infinite sums of money bet on different points followed by earnings with positive gains, complete with a legitimate receipt for the wager.

On the athletes' side, however, a factor that from a financial point of view could facilitate a choice for M-F is the fact that, where there is paltry prize money for competing, the athlete, the coach and the agent must still incur costs for the tournament – even if they win – that cannot be covered. FIFPro, in its so-called "Black Book on M-F," noted that no less than 55% of the players who were approached for match-fixing have not had their wages paid on time. In the opinion of one respondent, in this kind of environment approaching an athlete to get his cooperation for illegal purposes may actually be quite simple.

It is interesting to note how the financial factors are the ones that showed the greatest convergence of literature and interviews in terms of articulation of the factor and the wealth of information and opinions. Therefore it is interesting to consider why this is the case with the financial factor. Does it depend on the fact that the financial factor is the one with the greatest impact with respect to the M-F phenomenon? Does it depend on the fact that the financial aspects are the most "easy" and immediate to identify?

Contextual factors



What seems to emerge from the dialogue with stakeholders is the fact that it's not so much the root of the phenomenon that is "new" as much as the shape that it has taken over time, i.e., of a transnational market for sports betting (with an estimated value of between €200 and €500 billion). Since 2000, the sports betting market has reached global proportions. A bettor in a country can access an online betting platform that is located in another nation and bet on the outcome of sporting events taking place in a third country, all in real time and on competitions of all levels, in all disciplines, from the most prestigious – like the Olympic games – to the most modest. However, this hyper-globalisation is accompanied by a lack of regulation, control and coordination between states. More than 8,000 companies offer sports betting in the world, most of these – about 80% – are located in areas having a lower tax rate and few inspections (Alderney, Gibraltar, Isle of Man, Malta, the province of Cagayan in the Philippines, the territories of Kahnawake in Quebec, Antigua and Barbuda, Costa Rica, etc.).⁹ The

⁹ "Protecting the Integrity of Sport Competition The Last Bet for Modern Sport An executive summary of the Sorbonne-ICSS Integrity Report Sport Integrity Research Programme, 2012-14"

prevalence of suspicious betting in Handicap markets and, in particular, Asian Handicap markets, clearly reflects the fact that the Asian betting markets (where these types of bets are immensely popular) represent the largest source of illicit bets (according to estimates, more than 70% of revenues for football betting refers to Asian bookmakers). Contrary to Europe, the Asian system allows anonymous betting and no betting limits.¹⁰ Most of these companies offer betting around the world, often without obtaining national authorisations required in the countries of their customers. The co-existence of legitimate, illegal and partly illegal operators creates a very complex situation. In practical terms, the strong growth of live betting requires significant resources to observe the movements of the market and to detect possible manipulation in real time.⁹

With regard to the sporting context, what emerges from the literature (Raul Caruso, 2009; David Forrest, 2012; David Forrest, Ian McHale & Kevin McAuley, 2008) and interviews is the presence of a number of factors that facilitate illegal betting in some sports more than others. First, the fact that sports with fewer possible outcomes are more easily manipulated. For example, football is much easier to manipulate than horse racing where, although it is easy to determine who is the loser, it is difficult to influence the choice of the winner, there being multiple potential winners.

Also, if it is not possible to manipulate the final outcome of the match, it is still possible to obtain financial benefits by manipulating the match only partially, as the possible subjects being bet on have become easier to manipulate.

A few examples include:

- With the in-play betting system it is possible to corrupt players to play badly only in parts of the match (without having to lose).
- The number of yellow cards (corrupting the player or the referee).
- The number of red cards (corrupting the player or the referee).
- The points scored by a player.

It should also be borne in mind that corruption can be determined and organised at an administrative level, i.e., a club or federation. In football, for example, the most frequent cases of M-F involve the clubs themselves. With the advent of sports betting, the Clubs have developed a new method of corruption. It focuses primarily on winning money on the betting markets, but the earnings are achieved by making their own team lose – easier than convincing the other team to lose – and betting large sums of money on their own defeat. Two factors facilitate this type of behaviour by some clubs: on the one hand the particularly difficult financial situation in a number of sports, on the other hand, the organisational system of the clubs.¹¹

Shifting the view to the context responsible for the regulation of gambling it becomes clear how complex and extensive the betting business is and how it can be a potential motivating factor for M-F. With 80,000 betting shops, the problem is pervasive. Not to mention that the betting shops create a market, create a possibility for economic fluctuations, jobs, sponsors encouraging sport. It is worth pointing out that these elements on their own do not necessarily facilitate M-F. However, they represent additional points of access for those who seek to manipulate matches.

¹⁰ "The odds of match fixing facts & figures on the integrity risk of certain sports bets" January 2015

¹¹ "Sports betting and corruption How to preserve the integrity of sport IRIS, 2011-2012"

Other factors that can be considered potentially able to facilitate M-F are the threshold for reporting – which is set at €1000 – and (as far as football is concerned) the reduction of restrictions on the possibilities of bets on a single game. In fact, before 2000 bookmakers accepted only combinations of three so that even knowing the result of one of the matches you could not be sure of earning anything, not knowing the combination of outcomes of the other two matches.

The lack of relevant legislation in many countries seriously hampers the efforts of the police and judicial authorities to fight against M-F at national and international levels. The countries that do not have specific crimes for M-F can apply general anti-fraud measures, as those provisions are quite extensive and can serve as a solid legal basis for criminal prosecution. However, these fraud provisions cannot guarantee a solution to the problem of M-F. Other difficulties include establishing the causal link between the person manipulating the match and the person who benefits from betting on manipulated matches, as well as differences in terminology that make it clear that the effective fight against rigged matches requires much more than the formulation of crimes of corruption in the public sector.¹²

Another interesting element that emerges from the interviews concerns the monitoring agencies. In fact, the analysis shows that 50-60% of agencies are not monitored by the Italian state, so it is not possible to monitor the flows or quantify what has been won in these agencies. In this regard, an interesting example is BETFAIR: within this platform, people who offer bets do not necessarily have to have a licence. One respondent also pointed out that there are some monitoring agencies that are competing with each other to the extent that what they do, in terms of the market, is sell a product.

What is evidently clear is a presence of multiple factors and dimensions that require discussion and activation of different analyses and awareness. However, what we find, according to respondents, is a lack of attention (or concern) to initiate significant collaborations through dialogue and negotiation between foreign institutions or foreign judicial authorities to create a common direction that prevents and monitors the phenomenon. It is therefore worthwhile to continue analysis and question the stakeholders about this situation: why does cooperation between institutions still seem to be a "work in progress"? Is it attributable to legislative constraints that are difficult to manage/overcome, or to an as yet not "definitive" awareness of the urgency of the M-F phenomenon? Is it a process that inevitably takes time and work processes that can only offer real and tangible results in the medium to long term?

Factors inhibiting Match-Fixing

Financial factors

From a financial point of view, both from the literature (Raul Caruso, 2009; David Forrest, 2012; David Forrest, Ian McHale & Kevin McAuley, 2008) and the interviews, what emerges as one of the most commonly shared factors to

¹² "Criminalization approaches to combat match-fixing and illegal/irregular betting: a global perspective Comparative study on the applicability of criminal law provisions concerning match-fixing and illegal/irregular betting" Lausanne / Vienna July 2013

curb corruption is the improvement of salaries of the participants in the sporting world (from athletes to referees) and the reorganisation of the incentive system, to avoid it being easier in some categories/stages to bribe athletes and/or clubs. One respondent also pointed out that, in terms of penalties for those involved in corruption activities, rather than measures of incarceration, for athletes or the club it might be more effective to suspend individuals or teams for one or more years from professional competition. In fact, one of the largest sources of income for athletes and clubs is related to sponsorships, which would be lost in case of suspension from professional competition. Taking a step back, one solution proposed during our interviews was blocking financial flows between illegal operators and consumers, although such a measure is particularly delicate and complex to implement.

Contextual factors

One of the most repeated proposals from the analysis of the materials regards the implementation of restrictions not only on the types of bets but also on winnings to be paid out in proportion to the bet placed. Similar is the proposal to reduce the contacts between betting operators and the "actors" of the sport, as well as the establishment of coordinated monitoring systems between operators and private companies. As for the sporting context, the possible actions proposed mainly focus on two actors: the referees and athletes. In particular – besides a monitoring of the presence of players and referees in suspicious matches – with regard to referees it has been proposed to communicate who will referee the match only at the last minute to reduce the opportunities for corruption, and, as a further preventive measure, an immediate review of the controversial decisions made during the match. As for the athletes, there is a shared view that anti-corruption educational programmes (similar to those organised to combat doping) could be a valuable resource to strengthen and better establish ethics as an essential element in the culture of sport. Finally, from the analysis of materials it is evident that international cooperation is essential (but not yet sufficiently stable), not only to ensure the implementation of law enforcement measures and sanctions, but also to be able to ensure the development of an approach to prevention.

In summary

It is worth dwelling on a finding from both the literature and interviews. With regard to the subject of countering M-F, the quantity of elements and information that emerges is significantly lower when compared to the findings relative to the factors that facilitate M-F. Not wanting to make unfounded speculations, it may still be worthwhile to consider what this discrepancy might depend on.

Is it because efforts to counter M-F are still too recent to have generated a substantial knowledge about them? Or maybe that the efforts need to be more systematic and organic rather than "fragmented" actions left to the initiative of the individual actors involved?

To effectively understand and act on the phenomenon it is necessary to begin an in-depth and articulated reflection on this point.

Causes and factors having influence (contextual conditions)

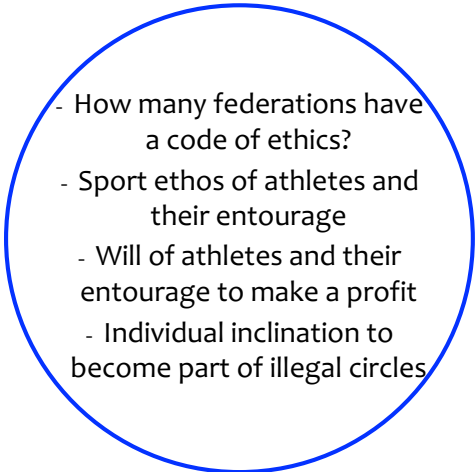
It is important to analyse which factors are behind the M-F phenomenon, starting with ethics, sports culture, location, and then moving on to financial causes and communication.

Subsequently possible remedies will be discussed, both repressive but mostly preventive, to avoid the exacerbation of a negative phenomenon that threatens not only the world of sports but also the social forms intertwined with it.

Places, culture and ethics

The M-F phenomenon, being complex, involves a series of important aspects. Within the world of sport it starts first and foremost with a corruption of ethics, by a kind of deviance from the culture of sport, understood also as a culture of territories, both of the athlete's origin as well as where sporting events are held, and in this regard we can consider "places" even virtual spaces – no less important – like mass media and social media that transform the athlete into an example, willingly or unwillingly, celebrating his sporting exploits and talking about his private life, or underlining his difficulties and failures. As affirmed during the focus group with journalists, the phenomenon is a true "ethical and moral deviance making the system more vulnerable".

Ethics

- 
- How many federations have a code of ethics?
 - Sport ethos of athletes and their entourage
 - Will of athletes and their entourage to make a profit
 - Individual inclination to become part of illegal circles

From the analysis of interviews and extensive literature it is clear that ethics is, without a doubt, the foundation of sports. In this context it is sufficient to cite the Code of Sports Ethics adopted by the Council of Europe, which considers "fair play" not to be an optional element but an essential component to all sporting activities, at every stage of sports policy and sport governance. Fair play is defined as much more than playing within the rules. It incorporates the concepts of friendship, respect for others and sportsmanship. Sports ethics is defined as a way of thinking, not just a way of behaving. It incorporates issues concerned with the elimination of cheating, the use of

unfair strategies whilst respecting the rules, doping, violence (both physical and verbal), exploitation, unequal opportunities, excessive commercialisation and corruption. The perception of a sport having poor regulation ethos, that tolerates conflicts of interest and ignores bad practices, increases the vulnerability and exposure of that same sport to manipulation.

Ethical issues, moreover, involve not only athletes' compliance with the rules, but also their inclination to agree to enter into illegal schemes; they involve the ethics of the athlete's entourage (think of the "tip" from the sporting world that could change the result or make it predictable only for the very well informed); the athletes and their

entourages' desire for profit; and not least the role of federations in promoting codes of honest behaviour.

The work of preventing M-F is very important not only when the violation of the rules – albeit hidden – is in any case the way to alter the results, but also when the behaviour itself is not prohibited, but the way in which it is used is likely to be clearly contrary to sports ethics. In this regard the following testimony is interesting: "I who am a professional tennis player know perfectly well if you are physically fit or not. So if you have hurt your leg it is easy to deduce that you will lose the game. So I could participate in a sort of insider trading telling people that you will lose the game because you have an injured leg. This type of activity should be banned".

But who is the offender today? What characteristics are involved in the violation of the law? While on the one hand the offender is definitely the one who commits the crime, i.e., the one who alters a sports

result, should we look for him inside the world of sports? Or outside of it? According to several testimonies, at least as far as M-F is concerned, the offender is absolutely within the sports world.



Sport, places and territories

An analysis of research papers shows that the culture of places and territories influences the structure of sports, and conversely the sports culture has an effect on the evolution of the culture of the area in which they take place. From this point of view, not only does the culture of the origins of the sport acquire an importance, influencing the set of moral and ethical norms, but also and especially the places where sporting events are organised: "a sporting event is a promotion of the local area, a local marketing event. If you alter the sporting phenomenon, the parallel intent to promote the region is also affected". Think about the recent corruption scandals of the commissioners called to select the venues for major sporting events: "those who corrupt and are awarded the event will then be able to

manage the sporting event in an ethical manner?". The question is legitimate. In an increasingly globalised world, it also becomes important to analyse the impact of the interaction between cultures. In other words, one must ask, for example, how the entry of new, large foreign investors in the sport might impact the M-F phenomenon, financially affecting the organisations and individual athletes or teams. Another "place" par excellence is found in the mass media: this "place" can be a source of great interest because, for example, it can focus attention on one athlete more than another. Given its ability to amplify the model of sports performance (which, we note, becomes a powerful vehicle for the internalisation of social norms and obligations) the place of mass media puts a lot of pressure on the athletes themselves and their entourage, risking influencing their performance but also their choices, in their exasperated search for the spotlight that often means new financial possibilities. As proven by many scandals that have occurred even in the recent past, the risk is therefore that of witnessing a shift from the ethics of fair play to the idea of winning at all costs.

DIVING DEEP

Even though it is a known phenomenon, why is silence such a widespread attitude in sports?

What's behind it? Has it always been there? Or did it suddenly occur? Is it inherent in a sporting event or in the model organising such sporting event?

Silence is followed by poor use of protected reporting systems, both due to personal concerns and cultural tenets. One must become aware that sport has become open to wrongdoing.

Sports culture and criminal organisations



Based on the interviews conducted and analysis of the literature collected, "There is a correlation between the spread of organised crime in the area and the presence/absence of a "sports culture": the stronger the former, the weaker the latter and vice versa". These two phenomena are closely related. The establishment of a culture of deviance in sports, therefore, "can lead to the development of sports alteration phenomena like the use of doping or M-F, under the assumption that "Everybody's doing it", or the poor sports culture of the athletes' entourages". As we saw in the introduction, sport can be considered a sort of "global language of humanity"

capable of generating complex social institutions that reflect broader social relations. As a result, the infiltration of organised crime in sport, its ability to alter results and consequently to obtain a profit are likely to represent a

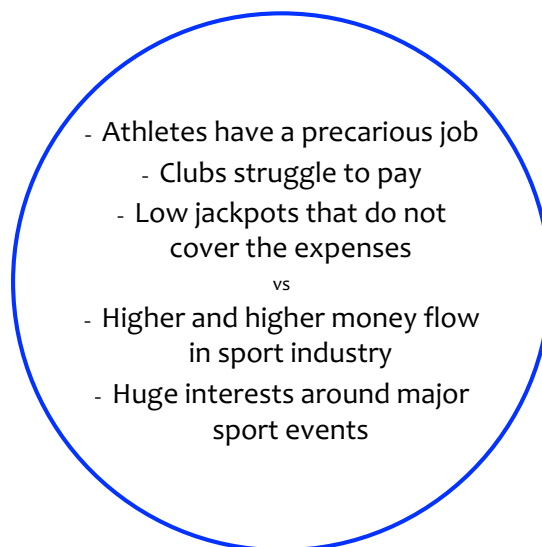
dangerous organisational model of social relations even within a given territory. In other words, the success of M-F could reflect criminal abuse of power in terms of social, economic and cultural dominance.

Financial causes

Like all social phenomena, even sport is characterised by multiple reasons for acting and a complex relationship with the environment. In this section we seek to analyse the area relating to financial issues affecting the sport that may or may not facilitate M-F phenomena. *Note how financial causes are universally recognised both by interviews and the literature, and their representation in both sources is particularly extensive and detailed.*

M-F and athletes' compensation

In spite of the image portrayed by the press of star athletes with millionaire contracts, in reality most athletes do not make as much money as popular belief would seem to indicate.



The average net salary of athletes in disciplines like handball and volleyball can be negligible.

The "FIFPro Black Book Eastern Europe" paints a clear picture of the situation. The essential condition for professional football is that a player is paid (compensated) by his club. But of the 3,357 professional football players who took part in this study, 41.4% do not have their salaries paid on time: 5.5% of all players have to wait more than six months to receive their salary, 2.2% also had to wait over a year for back salary or are still waiting for it. Only 53.4% receive their bonus at the agreed time. We are talking about a fundamental value of professional football, because if a professional player does not receive a salary, he's just an amateur. According to a large majority of players (92.9%), the Clubs claim that they cannot pay because they don't have the money. The vast majority of the players who participated in this study (at the most) earn an average income and are not financially independent. The non-payment of players' salaries has enormous consequences, because it exacerbates other

problems in football. FIFPro's study shows that there is a clear link between non-payment and M-F. A player who has to wait for his money has a greater chance of being approached to manipulate a match. No less than 55% of the players who were approached for M-F did not have their wages paid on time.

FIGURE 5 – DELAYS IN SALARIES

An analysis of the histograms shows that in all countries involved in the study the majority of respondents said that the payment of salaries was delayed between 1-3 months, with the exception of Russia, where the most common delay was 3-6 months.

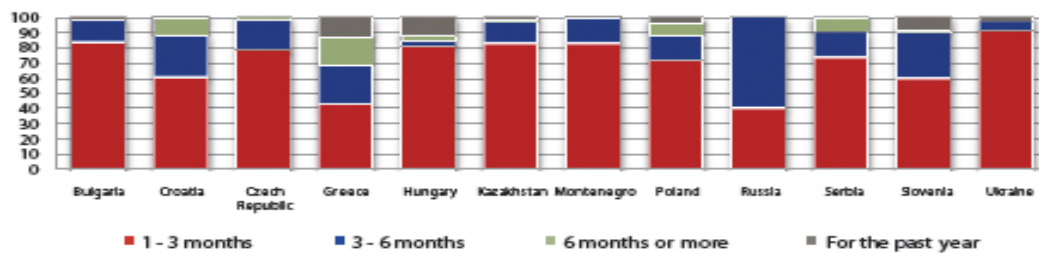


FIGURE 6 – SALARY PAYMENT METHOD

The histograms show the differences in receiving salaries related to the type of contract. In Bulgaria, Greece, Hungary and Ukraine the majority of respondents said that the entire wage is mentioned in the employment contract. In Kazakhstan, Montenegro, Russia and Serbia, the majority states that part of their salary is paid by addendum/annex. In Croatia and the Czech Republic the majority claims to have a second contract with a third party. In Slovenia there seems to be the same distribution between those who say that the entire wage is mentioned in the employment contract and those who claim to have a second contract with a third party.

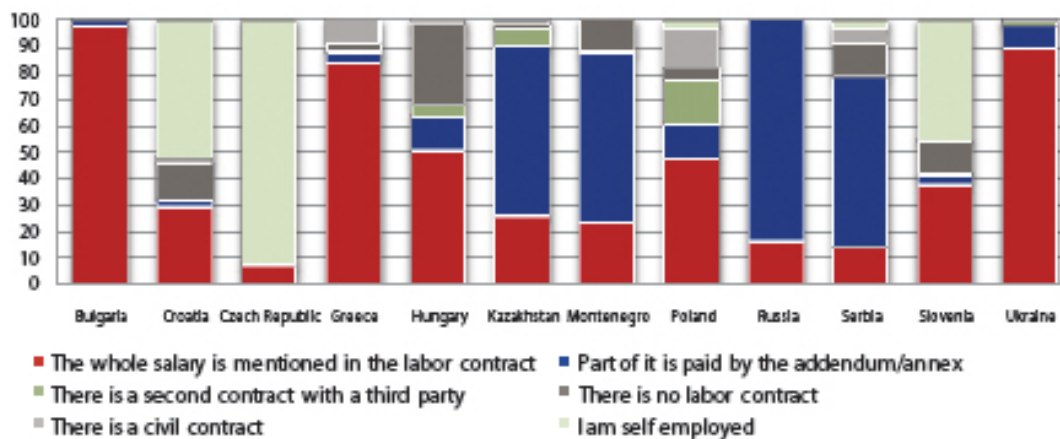
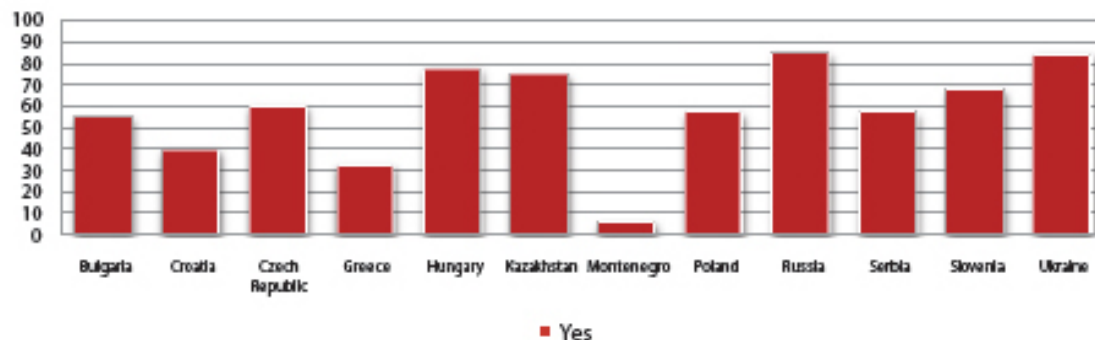


FIGURE 7 – SALARY PAYMENT PUNCTUALITY

An analysis of the histograms shows that in all countries involved in the study the majority of respondents said that their club pays wages on time. Montenegro is the country with the lowest percentage.

Figure 3: Does your club pay your salary on time? – Country comparison

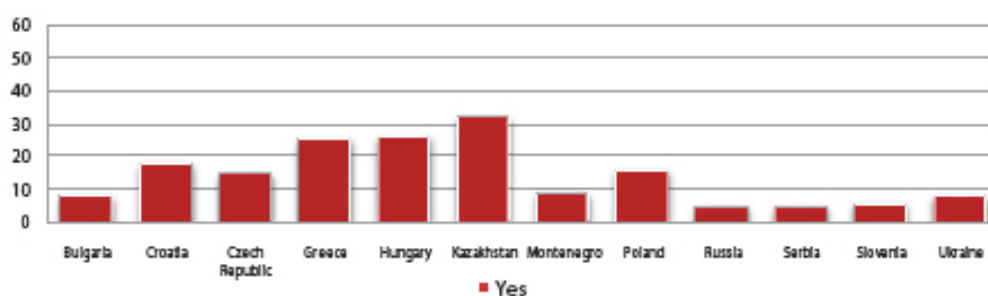


In addition to the non-payment, there is also an abuse. As each player is contractually obligated to do his best, so the club must act as a good employer. Often this is nothing more than an empty declaration. Many clubs put their players under physical and mental pressure. The Club can use a variety of methods to exert pressure, as shown in the study: 15% of players were forced to train alone (separate from the team), 11.7% of players were victims of violence (of which 33% was initiated by the club), 10.2% of the players have been victims of bullying and harassment.¹³

FIGURE 8 – OBLIGATION TO TRAIN ALONE

An analysis of the histograms shows that in all countries involved in the study the majority of respondents said that they were not forced to train alone. Greece, Hungary and Kazakhstan are the three countries with a greater number of respondents who say they have been forced to train alone.

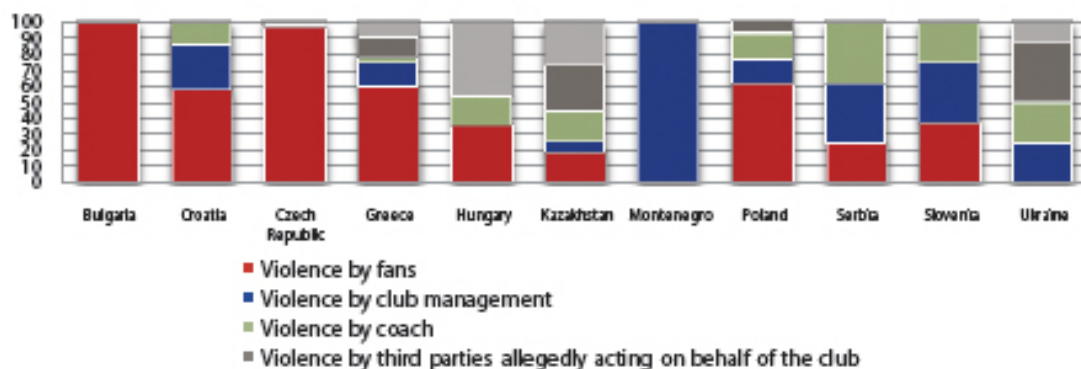
Figure 7: Have you ever been forced to train alone? – Country comparison



¹³ FIFPro Black Book Eastern Europe – 2012

FIGURE 9 – SUBJECTED TO VIOLENCE

In Bulgaria, Croatia, Czech Republic, Greece and Poland, most of the respondents claim to have suffered violence by fans. In Montenegro almost all of the respondents claim to have suffered from violence by the club. In other nations, however, the sources of violence are more mixed.



M-F is therefore strongly linked to the precarious employment of athletes.

For example, the following testimony is illuminating: "Where there is little prize money, the athlete, coach, and agent still incur costs to participate. Even if you were to win that tournament you would never be able to cover your costs. Obviously, in this context approaching an athlete is quite simple, and not only approaching him, but sometimes getting his cooperation for unlawful purposes is almost a foregone conclusion". All this in the face of a growing influx of money in the sports business, but that reflects a totally disproportionate distribution of this financial wealth to a few "champions". There is a risk therefore that on the one hand this can motivate athletes earning less to get involved in M-F in order to reduce this gap, on the other hand the high-paying champions may be tempted to maintain their position at the top at any cost (as it happened with cases of doping by celebrated, victorious athletes in cycling and track and field).

Furthermore, we must remember how other significant interests revolve around sports (including competition for television rights, the construction of dedicated facilities) and they are not always lawful. "If there is not coordinating action among the different organisations that must oversee the events it is difficult to imagine that simple reports can be useful", said another interviewee.

The extraordinary communication potential of the sporting event is often able to generate a huge impact on the public, in turn supporting massive commercial systems – with a very wide range of offers tailored to particular audiences. This characteristic of the sports phenomenon brings a significant return on investment for businesses that finance the sports world. This characteristic, which adds a financial facet to sport, and which in turn is reflected in the salaries of athletes – especially those most loved by the public – can stimulate the search for an easy economic profit not only by the athletes themselves but also of their entourage, sports organisations and criminal organisations. Illegal gains are sought through illicit advantages (a dynamic common to the *modus operandi* of criminal phenomena in general), which in turn lead to further illegal phenomena intertwined with M-F: e.g., financial speculation, money laundering, tax evasion, counterfeiting.

Also, in a globalised world one cannot escape focusing attention on the transnational nature of these phenomena, parallel to the transnational nature of the investments in sport.

M-F and the betting world



As for the specific world of betting, during the interviews carried out we can highlight the causes of M-F both with regard to the aspect of the organisation of the bets, and with regard to the aspect linked to the "desires" of the individual bettors.

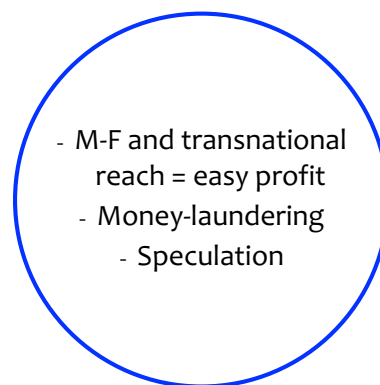
In the first case the enlargement of the possibilities to bet on various aspects of sporting events in different countries (just focusing on football, consider the odds on the number of goals, the free and penalty kicks, yellow and red cards, of fouls or corner kicks, results not only of the game but also at the half in different leagues of various nations), while on the one hand has allowed a substantial increase of legal money flows used to participate in this phenomenon of financial entertainment, it has also generated difficulty of prediction of the events themselves, and as a result control over any irregularities, making preventive monitoring weaker. In the case of bettors, however, it was seen how they can get involved in M-F, feeding it, due to a need for revenue through easy money, or for the pleasure of gambling that often transforms into a "habit" or pathology, or for a certain individual tendency to commit crimes. Looking at the pathological aspect more in detail, given that one can fall into gambling addiction even using legal channels, the extreme need to gamble might encourage a greater propensity to use illegal channels.

Finally, one aspect not to be overlooked is related to the possibility of obtaining huge illegal profits in the face of relatively mild punishment, not yet updated to reflect the social danger and the severity of the problem.

M-F and money laundering

As mentioned in the section "Money laundering and the betting industry", M-F can represent an important opportunity for money laundering for several reasons: high liquidity and internationalised cash flow, lack of international regulation for sports betting, in some jurisdictions winnings are tax free, high percentages of pay-out

compared to the performance of other financial investments (Anderson 2014). These reasons have become even more attractive with the explosion of online gambling: winning a bet online, with a legal or illegal operator, makes it even easier to launder the money and to re-introduce these amounts into the official economy. Because illegal betting in general does not constitute a criminal offence, the dirty money can easily be transferred as winnings from a player's offshore account to a bank account in a respectable country. The combined effects of sport market globalisation (and their international growth, specifically through the Internet) and betting markets have clearly increased the opportunities for M-F by criminal organisations.¹⁴



In summary

When dealing with the issue of M-F, very often the risk is not being able to **suitably portray it and correctly correlate it with other phenomena**, which means that often one ends up working on the symptoms instead of the root causes.

M-F is at risk of being experienced and managed by focusing only on three elements:

- **Moral ethics** – whereby the solution is “promoting values”.
- **A technical approach** – the solution being “with oversight I solve the problem”.
- **A material approach** – the solution being “if I pay I solve the problem”.

Instead, one should try to take a position embracing all three of these elements and combining them.

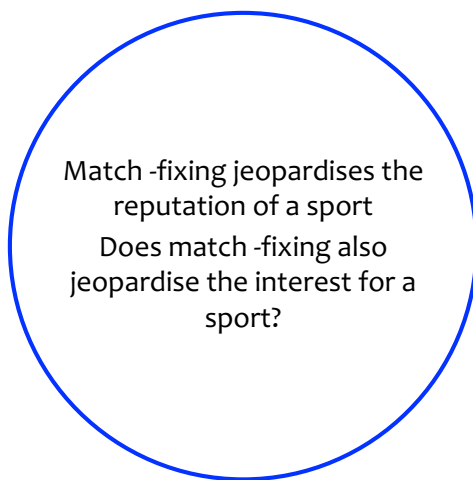
There is still not a total maturity in the capacity to do a complex analysis of the phenomenon, which often leads to connect the success of an action, whether prevention or counter-action, with the presence of elevated dedicated budgets. In this regard it is necessary to begin to make people understand that the amount of money invested in an action in reality is not directly related to the effectiveness of that action.

What truly makes a difference is the lucid and detailed understanding and knowledge of an issue. In fact, only such a clear understanding can lead to the development of an action that is suitable for stemming and/or resolving the problem that needs to be acted on. It is therefore necessary to create a “paradigm shift” to be able to act effectively on the M-F phenomenon: from what one might nickname as “lavish”, which focuses on large amounts of funding and requiring the use of unlimited resources, to one we could call “sustainable” that manages to combine the use of available resources with timely and effective actions, thus optimising the disbursement of funding made available from time to time by the various institutions that are sensitive to the problem.

¹⁴ “Protecting the Integrity of Sport Competition The Last Bet for Modern Sport An executive summary of the Sorbonne-ICSS Integrity Report Sport Integrity Research Programme, 2012-14”

Consequences, effects and remedies

Today corruption in some sports is often deemed normal, not problematic and almost inevitable (Numerato, 2015). In other words, *in some contexts M-F is understood to be "part of the game"* rather than something that interrupts the course of a game that, in theory, is based on the principles of fair play. So we can say that *cheating undermines the reputation of a sport* (Preston & Szymanski, 2003). This statement leads to an important question: *does cheating undermine interest in sports?*



One can think of many cases in which M-F scandals caused bad publicity; nevertheless one can also think of many other cases in which M-F did not seem to have undermined the interest in that sport. Indeed, one could also object that the relation goes in the opposite direction: the growing interest for a sport leads to an increase in manipulation – conversely, the weakening interest for a sport leads to a decrease in manipulation (Preston & Szymanski, 2003).

In light of these considerations, it is important to attribute the correct importance to initiatives, projects and actions put in place to circumscribe and combat the phenomenon.

ANALYSIS NOTES

M-F causes a short circuit in the rules of engagement between the sports universe and governments. The Olympic principle states that the state should not be involved in safeguarding the purity of sport. Still, by forcing a re-definition of the rules of engagement, M-F is the place where this inversion occurs and the state must intervene into the sports universe in order to protect it.

Counter strategies

Just like all complex phenomena, M-F can also be countered by adopting several strategies and actively involving all actors in sport and elsewhere. Several types of remedies may be detected, which may be classified (as specified below) based on the nature of the actions to be undertaken.

- Repressive – when monitoring is implemented to detect cases of M-F, with the involvement of law enforcement agencies and institutions in actively researching possible culprits of M-F, as well as behaviours being instrumental to M-F to intervene in the phases preceding the commission of actual crimes. Remember that M-F requires a range of both legal and illegal behaviour on the part of different parties. The main objective of these measures is aimed at "punishing the perpetrators" and eliminating the M-F phenomenon.
- Proactive – when the tool in use is mainly legislative, which intervenes not so much to repress M-F, but rather to enforce agreed rules and norms. These rules, due to their complexity or, conversely, because of their relative generality in dealing with increasingly complex phenomena, could facilitate (if poorly written or poorly interpreted) rather than thwart M-F. Even the absence of certain rules could be a facilitator of M-F. We can define the objective of these measures as being the creation of a legal environment that is as unfavourable as possible to M-F.
- Preventive – acting on the behaviour of individuals within the institutions and sporting events, whether they be athletes, sports executives, legal betting company executives (just to mention a few), seeking to promote ethical and behavioural codes that make the choice of loyalty over M-F a "choice of conscience". The final goal of these latter remedies is creating individual pre-emptive "antibodies" preventing people from being tempted by M-F.

There is of course a mixture of all these possible remedies and some of them could be classified into multiple categories (in this discussion they were inserted under a single category on the basis of the prevailing content of the interviews as well as for the sake of simplification). Indeed, *a set of multiple measures combating M-F in different areas with different institutions and actors could prove the most effective weapon to prevent this criminal phenomenon.*

ANALYSIS NOTES

M-F is a complex phenomenon – so much so that the recent Macolin summit, in its title contains a statement that can already be deemed obsolete, given that most illegal sport bets do not manipulate the final result – and requires surgical interventions rather than simple answers.

The overall framework must be changed.

Repressive remedies

As previously specified, repressive methods are those that seek to repress M-F by engaging all the institutions in monitoring in order to detect the presence of possible M-F phenomena and allowing the police to intervene in order to shed a light on criminal conduct and repress the behaviours of its authors. These remedies can be implemented in different fields: from more effective communication among institutions and use of best practices

that have already proven effective, to the creation of specific structures to strengthen the legal network combating the illegal network.

A new structure

One of the proposals that emerged during the interviews for this study was to create a new public structure that analyses betting dynamics, making use of legal agreements, memoranda of understanding to be signed with the various economic, financial and sports institutions as done for other "national emergencies" (see, for example, the national anti-Mafia or the anti-terrorism organisations).

Shared experiences

Experience can and should be an asset: according to some respondents there is a need to create and maintain a historical archive of M-F not relegated solely to specialists working in offices to repress and combat the criminal phenomenon, but available as a common asset to the institutions.

Legal network v. illegal network

"The legal network must always be more developed than the illegal network". In fact, according to some respondents a greater flow of information within the legal network might allow for a better understanding of the illegal phenomenon. This should be flanked by an open battle against the illegal network, which should take place through the closure of illegal betting shops, monitoring the Internet to discover M-F phenomena within the "dark web" or with the misuse of bitcoins. According to many respondents, it is a huge work which will not be 100% successful, but that could – if effectively implemented – decrease the percentage of illegal betting from a hypothetical 50% today to 10% with an obvious benefit for the whole sports system.

Strengthening the partnership between public and private

Investing in the creation of an effective public-private partnership system, according to all the respondents, would be one of the best ways to counter M-F. The intervention of state institutions, in fact, "is proving increasingly insufficient without proper collaboration with the private sector". Consider, for example, in the Italian case, the monitoring of the system of legal bets: "the work done by AAMS is great but it is limited. The only operators being observed are the ones that have obtained licenses to operate in Italy. To the contrary, international operators that are not present in Italy but that are easily accessible on the internet are not monitored". According to respondents, there is need for further funding to deploy forces in Risk Assessment. In this case, "the private operator already invests sums in this field, it would be a question of working together". So, according to the respondents, there is a need for the public sector, to "create a structure that has the skills of the private sector in order to improve its knowledge of the world of betting and thus make it easier to identify abnormalities that might mask M-F phenomena".

Improvement of dialogue and data communication

It is clear, therefore, how all actions, from the strengthening of the legal network to the improvement of the partnership between public and private spheres essentially entail improved communication between the parties in

the world of sports and finance. Implementing the relationships between law enforcement forces, "encouraging as much as possible a specialised focus on M-F within each of the different institutions involved" should be done "without losing sight of the importance of coordination in order not to penalise the fundamental overall vision". According to the interviews, this definitely seems to be the most effective route. Going into detail, in particular it is suggested to:

- ❖ Improve the flow of data, avoiding their dispersion during communication flow.
- ❖ Get feedback from the exchange of information, the actions undertaken or to be undertaken.
- ❖ Improve the dialogue between the courts and sports prosecutors.
- ❖ Improve the dialogue between regulators and law enforcement authorities, even on an international level.
- ❖ Extend the information shared to include all actors involved.
- ❖ Extend the sharing of information among bookmakers, regulatory bodies and national and international sports bodies.
- ❖ Improve the dialogue between the organisations that oversee sporting events.

A further suggestion from the interviews is to look to the Gambling Commission of the United Kingdom which implemented a platform involving all the public and private actors, thus including licensed operators, sports federations, regulatory authorities.

Proactive remedies

From the analysis of interviews it is clear that the primary area of intervention is legislative. They are therefore "measures that must make more effective or better implement the regulations governing public gaming and its monitoring".

The report prepared on the "Sorbonne-ICSS Integrity Reports Sport Integrity Research Programme" (2012-14) shows that the international agenda on how public authorities may respond to manipulation of sporting competitions (and its threat to public order) has already had repercussions on domestic agendas. In fact, several states have initiated review processes regarding legal mechanisms in order to better regulate the sports betting market, combat illegal betting and/or prevent the manipulation of sports competitions.

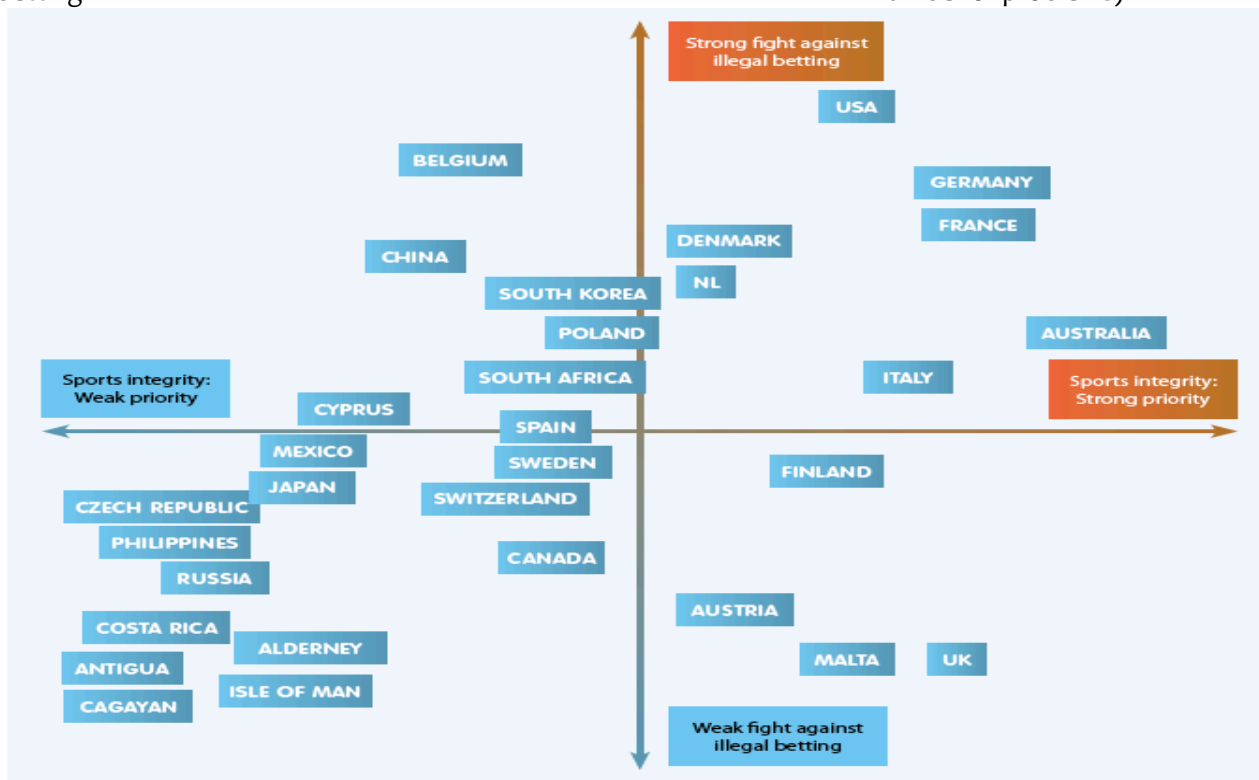
Only the adoption of a well-designed criminal law – i.e., sufficiently wide ranging – and specific for the manipulation of sports competitions can provide a consistent and effective prevention of the phenomenon. However, this approach still faces resistance from some governments.

It seems essential for national regulations to be harmonised, not only because it would be detrimental to have different fields of application depending on the country, but also because such differences make international cooperation more difficult. However, beyond their will to fight illegal betting, it might be useful to reflect on the classification proposed in the report, according to the priority that the countries examined attribute to the integrity of sport (laws providing penalties for the crime of sports fraud, prohibition against gambling on sporting events in which one participates, restrictions on sports betting). Four main groups can be identified (and according to the research report the overall situation cannot be considered satisfactory).

TABLE 4 – CLASSIFICATION OF COUNTRIES BY PRIORITY ATTRIBUTED TO THE INTEGRITY OF SPORT

The countries of **group 3** (2nd quadrant – northwest block) – even if they are not attributing priority to the integrity of sport – they generally fight against illegal betting.

The countries in **group 4** (1st quadrant – northeast) have strict rules on sports betting. They are also countries that protect the integrity of sport as effectively as possible (Australia is an example of a pioneer country for a certain number of problems).



Most countries in **group 2** (3rd quadrant – southwest block) have not taken account of any of the dangers posed by illegal betting and do not attribute any priority to safeguarding the integrity of sport.

The countries in **group 1** (4th quadrant – southeast block) – even if they attribute priority to the integrity of sport – they have not taken into account risks to the integrity of sport.

An analysis of the report prepared on the "Sorbonne-ICSS Integrity Reports Sport Integrity Research Programme" (2012-14), also shows the importance of the creation of national authorities for regulating betting. These regulators – whose resources are sometimes insufficient to address manipulation and money laundering – gradually appeared in several countries and have had to deal with a large number of parameters. Typically, the gambling regulator is responsible for supervising the observance of the national regulatory framework by the authorised betting services, including, among other things, the ban on authorised gambling operators accepting bets on sporting events when the operator has an interest in controlling the event or its participants. However, when it comes to regulatory models for the sports betting market, this report shows uneven development. In fact, when it comes to the regulation of gambling, states have four main possibilities:

- ❖ Prohibit certain forms of betting.
- ❖ Grant a specific right of exploitation in the regulatory framework subjecting operators to certain specific terms:
 - An exclusive given to an operator (monopoly).
 - A right given to a limited number of operators (multiple licenses).
- ❖ Define a general authorisation regime.

The licensing system is often used in Europe, but also in Mexico, Australia and many small states wishing to revive the local economy (the islands of Central America, Malta, the province of Cagayan in the Philippines, etc.). However, it is not widespread throughout the world. In reality, a ban on betting is still in place in almost half of the countries in the world. Muslim countries, many countries in Asia (India, Indonesia and Thailand), as well as in the United States (except in Nevada) use this system. The main countries with a monopolistic system are China, Japan, Canada and several Latin American and Scandinavian countries (except Denmark). The UK is the only country with a general authorisation system. Special mention is due to taxes on gambling, adopted in Australia, New Zealand, Turkey and France (with a few minor differences). This betting tax is to allow the owner of a sporting event (including federations) to receive a fair price for the commercial exploitation of these events by betting operators. A portion of these revenues must be used to establish and finance mechanisms for protecting the integrity of competitions by their organisers. This is a typical example of the difficulty in reaching agreements between all parties concerned. In fact, although this mechanism has produced some results, it collides with obstacles that reflect conflicts of interests and different priorities of stakeholders (for example: what should be the amount of the tax on bets? This tax would be imposed in addition to the other instruments applicable to the activities of gambling? What should the taxable base be? Which sporting events and competitions should the betting tax be applied to? Does the tax on betting violate economic freedoms and rules on competition? Should the amount of betting tax be regulated? How to make sure that the taxes collected will actually be attributed to the establishment of organisers' mechanisms to protect the integrity of competitions?).

A focus on European betting regulations*

The European Commission, already in its 2012 communication "Towards a comprehensive European framework for online gambling" has attempted to outline a comprehensive action plan that includes a number of complementary initiatives to support member states to adequately address the technical, regulatory and social issues prevailing within the betting industry and protect the integrity of sport. At the time of the study cited above, the measures described below were identified.

- ❖ France, Italy and Spain have introduced a list of sports events for which licensed operators can offer bets. However, the risks associated with the manipulation of sports events are a decisive factor in determining the list only in France. Moreover, in France the application of the ban on betting for sports falls under the exclusive jurisdiction of the authorised sports federations. In Spain, the mechanism was repealed in 2013. In Italy, the gambling regulator (ADM Customs and Excise Agency) also determines which sporting events licensed operators can offer bets on.
- ❖ In Belgium and Denmark, a list of sporting events authorised for betting has been made but not yet adopted. In Denmark, the national regulatory framework of gambling authorises the Minister of Taxation to establish rules against betting on certain categories of events (sports).
- ❖ Seven member states (Belgium, Czech Republic, Estonia, France, Germany, Hungary and Spain) have introduced provisions that prohibit certain persons who could influence the results of sporting events from participating in bets on those events. None of these provisions extends beyond the sporting events in which the person in question is involved.
- ❖ Six member states (Czech Republic, Croatia, France, Slovakia and Malta) prohibit licensed operators from accepting bets on sporting events when the operator has control over the event or its participants.
- ❖ In Germany, the prevention of a potential conflict of interest is ensured by the wide-ranging prohibition of all business or personal connections between a betting operator and the organiser of a sporting event or its participants (regardless of whether the operator accepts betting on that sporting event).
- ❖ The national regulatory frameworks of eight member states (Czech Republic, France, Greece, Hungary, Italy, Romania, Spain and Sweden) prohibit owners and employees of an authorised betting operator from participating in betting/services offered by that operator.
- ❖ In six member states (Bulgaria, France, Greece, Hungary, Latvia and Spain), the national regulatory framework on gambling prevents the service employees from participating in gambling and betting.
- ❖ In Belgium, Estonia and Spain, the gambling regulator can impose sanctions on persons from the world of sports who violate the betting regulatory ban.
- ❖ In the Czech Republic, law enforcement is only possible through the Criminal Code (i.e., provisions on fraud and corruption) and therefore must involve law enforcement (police, prosecutors).
- ❖ In the UK, the national regulatory framework does not contain a ban on sports betting.
- ❖ France, Belgium and Spain have a database containing private information of persons excluded by law as a mechanism to detect violations of certain conflict of interest provisions. While people in the sports world are not included in these databases and are not subject to a general ban on betting (i.e., the prohibition only applies to sporting events that they can influence), it is worth underlining this enforcement tool. Several sports betting operators (lotteries and commercial) have adopted voluntary codes of conduct on a European level, which contain provisions on the prevention of conflicts of interest.

* Study on risk assessment and management and prevention of conflicts of interest in the prevention and fight against betting-related match fixing in the EU 28 T.M.C. Asser Instituut / Asser International Sports Law Centre July 2014 EUROPEAN COMMISSION

As shown by a study conducted for the "DIRECTORATE-GENERAL EDUCATION AND CULTURE, Directorate Youth and Sport, Sport Unit" – only about 10 of the 28 member states have established a direct obligation of the national authority of gambling to proactively collect and process information on suspicious betting. More frequently (in about half of EU member states) betting operators are required to report suspicious betting activity to gambling authorities, thus giving the proactive role to betting operators. In general, the requirement that the gambling regulator gather information or the betting operators report suspicious activity is more likely to be found in countries that have recently revised their legislation. However, there are differences in the extent to which the obligations are direct or indirect and the measure with which reactive or proactive approaches are used. Even in the absence of legislative or administrative provisions, betting operators collect key market and customer information. The information is often shared informally in case of irregularities. At the same time, some betting operators have stated that they prefer to have an obligation to share information, as this clarifies what they are required to share and with whom they are required to share it. Moreover, lotteries and private operators have established procedures for sharing tools that provide comparative data to enable them to gain a more precise understanding of risk. For sure, this is a strong focus area that requires cooperation at different levels.

In 2011 EPAS adopted a recommendation of the Committee of Ministers on the manipulation of sports results. This recommendation was followed by the new Convention on the Manipulation of Sports Competitions (CETS no. 215), which was opened for signature on 18 September 2014 in Magglingen/Macolin (Switzerland). The adoption of this new treaty has placed the Council of Europe in a leading position in the fight against the manipulation of sports competitions. The convention is the only rule of international law regarding the matter. As of May 2015, the convention was signed by 18 states and ratified by Norway and will enter into force after the fifth ratification.

MINEPS V, held in Berlin in 2013, covered all the major issues of national and international sports policies with a focus on emerging challenges to the integrity of sports. The Declaration of Berlin contains a detailed set of recommendations concerning the manipulation of sporting competitions and conditions for hosting major sporting events.

Finally, in order to provide a broader and more extensive overview, we can mention the existence of some important organisations operating in Europe. First of all, the "European Sports Security Association (ESSA)". It is a non-profit organisation that represents the interests of integrity in sports betting for many of the main regulated betting operators (see: "ESSA Integrity report 2014"). ESSA was founded in 2005 in order to facilitate cross-sector collaborations and to protect operators, their customers and sporting bodies against corruption-related betting. ESSA members are asked to sign a code of conduct and work together using security protocols and risk assessment to identify suspicious betting patterns and to have access to an unrivalled amount of data, which includes essential transactional data about who is betting, on what, where and when (this information is not directly accessible from other alarm systems). A betting model is considered illegal when it involves betting activities with atypical bets or volumes that continue even after significant price corrections have been implemented to deter these market activities.

Another important organisation is the "European Lotteries (EL)", a sort of "umbrella" of national lotteries managing games of chance for the public interest. EL brings together state and private operators, both profit and non-profit, operating on behalf of the state. In 1999 EL has added sports betting operators to its membership. In 2003, EL adopted a code of conduct on sports betting. The company Sportradar has developed the most successful system to monitor betting operations.

When it comes to regulatory models, it is important to take into account some specific comments on monitoring systems. In fact, monitoring systems are designed to identify suspicious fluctuations in odds, which allows the identification of anomalies and alerts the public and/or sports authorities of possible manipulation. However, these alarm systems do not have access to betting volume. Given these conditions, it seems difficult to go beyond an advanced state of suspicion. In fact, these alarm systems have rarely resulted in convictions. At the same time, betting operators are developing their internal control systems to monitor the risk of the financial counterpart linked to betting odds. These operators:

- ❖ Have the advantage of incorporating precise information regarding the distribution of the volumes passing through their network, starting from the identity of their customers.
- ❖ Are best positioned to judge the integrity of the bets placed by their customers on their platforms.

However, real-time monitoring of live betting would require substantial resources that are beyond the reach of some bookmakers.

TABLE 5 – DUTIES OF BETTING OPERATORS

The obligations of operators in 6 countries and related procedures and actors involved to respond to four areas: due diligence and reporting of suspicious activity; identification of gamblers and winners; sanctions; specific actions.

	France	UK	Malta	USA	Germany	Italy
Due diligence and reporting of suspicious activity	Due diligence on the part of betting operators, obligation to report unusual events and suspect activities (suspicious transaction report) to TRACFIN.	Due diligence on the part of betting operators, (Proceeds of Crime Act 2002) obligation to report unusual events and suspect activities to SOCA (Serious Organized Crime Agency).	Due diligence and obligation to report any suspicious transaction to the Lotteries and Gaming Authority (copy to the FIU, Malta Financial Services Authority)	Financial intermediaries: banking establishments prohibited from paying into accounts with online gambling companies located outside national territory.	Obligation of surveillance of suspect transactions and obligation to submit suspicious transaction reports if necessary.	Due diligence on the part of betting operators, obligation to report unusual events and suspect activities, particularly any transaction over €3,000.

	France	UK	Malta	USA	Germany	Italy
Identification of gamblers/ winners	Obligation to verify gamblers' identities. Record to be kept of large winnings.	Obligation to verify gamblers' identities (for age).	Obligation to verify all gamblers' identities and to verify the identity, age and residence of gamblers in the case of payments over €2,000 ¹⁵		Online gamblers must be identified and must provide an ID document to their local post office to collect a number before registering. The consumer is required to use a personal access code each time he gambles. No obligation to keep a record of winners.	Operators are required to identify transactions of over €3,000. A tax code is required to open an account, which the operator then checks with the AAMS. The operator has 30 days to verify the information given by the gambler after their account is opened.
Level of sanctions in place	Financial sanction – fines of up to €150,000.	In the event of failure to report suspicious activities, the employee responsible risks a prison sentence of up to 5 years and/or a fine ¹⁶ .	Penalties of up to 14 years in prison and a fine of €2,187,860 are provided in the event of a violation of the anti-money laundering provisions.			
Specific features	Recording and filing of all transactions relating to betting by ARJEL. Only one bank account per gambler for the receipt of winnings.				A monthly limit to bets of €1,000 is provided by law. Live betting is authorised but it is only possible to bet on the result of a single sporting event.	Ban on accepting cash payments over €1,000.

¹⁵ <http://www.gamingservicesmalta.com/GamingServices/pages/xsl/Column3/Home.jsp?DisplayFile=/pages/en/Directory/AntiMoneyLaundering.xml>

¹⁶ [http://www.gamblingcommission.gov.uk/pdf/Duties %20and %20responsibilities %20under %20the %20Proceeds %20of %20Crime %20Act %202002 %20-%20advice %20to %20operators %20-%20September %202009.pdf](http://www.gamblingcommission.gov.uk/pdf/Duties%20and%20responsibilities%20under%20the%20Proceeds%20of%20Crime%20Act%202002%20-%20advice%20to%20operators%20-%20September%202009.pdf)

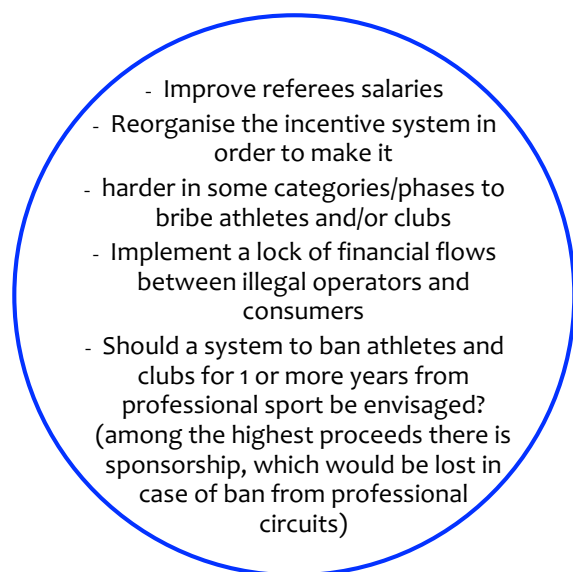
In conclusion, the dismantling of the alarm systems would certainly lead to an increase in cases of fraud. Monitoring systems are therefore necessary but not sufficient. As for the risks and difficulties identified above, it might be useful to quote what was reported in the document: "*Sports betting and corruption. How to preserve the integrity of sport IRIS, 2011-2012*". In fact, according to this document an interesting method to establish a monitoring system to optimise the management of risk and for the detection of irregular betting is the one adopted by France and the state of Victoria (Australia). This method is to pass a law giving property rights to sports organisations for the events they organise. It means that betting operators can offer only the types of bets agreed upon with the sports organisation in question. This is therefore a right to operate governed by agreements negotiated in advance, requiring operators to repay a percentage of the bets made or profits realised. Sports betting monitoring systems are effective for surveillance and can serve as a warning or – if used after the event – help to understand a fraud.

ANALYSIS NOTES

Problems often arise in telling apart matters to be dealt with in the short, mid and long term, hence the policies are not always effective in allocating resources in a timely and optimal manner.

Preventive remedies

The importance of prevention of crime even with respect to the repression of these offences has been well established in the literature. Even the interviews for this study indicate the need for preventive activities that "constitute a strong deterrent to M-F". Here are some examples of pertinent comments: "In terms of prevention/countering a lot can be done. I don't know how much is being done, we need to understand if it isn't being done just because of costs or if there are other reasons to study". "The most difficult thing is precisely prevention. We should be able to generate a cultural change, but knowing that there will always be someone who will slip through". "If there isn't a culture of legality it's hard to think about prevention, but we will always be chasing urgent matters because these are situations sometimes organised by criminals even on an international level". The emphasis on prevention is clear and it necessarily involves individual behaviour, at the level of personal choices, which is also the result of the humanistic and cultural education received. In this context, therefore, the opinion of the respondents "is to carry out all the activities of a preventive nature that constitute a deterrent to some extent but that constitute culture if practised in schools, at gyms, at all sports venues where – highlighting the risks but especially emphasising the ethical value of sport – you can spread the message that you should not manipulate a sports result because it is a serious crime". While acting on an individual level, according to respondents it is impossible to ignore the environment in which the individuals find themselves and that conditions them to some extent. In particular, it can be acted upon on two broad levels, i.e., from a financial point of view and from a cultural point of view. With regard to the first point, the findings in the literature and interviews converge in underlining the financial protection of sport actors and monitoring betting agencies.



For example:

- ✓ Improve referees' salaries.
- ✓ Guarantee salaries to athletes.
- ✓ Reorganise the incentive system in order to make it harder in some categories/phases to bribe athletes and/or clubs.
- ✓ Block financial flows between illegal operators and consumers.

As for the cultural dimension, as stated by one respondent: "In the end you can have prevention through an education of good sportsmanship". And in this regard, "There are already some potential collaborative initiatives that over time will probably become more stable and certainly more useful. Because in the end prevention is probably the only tool you have and through which you can hope to be able to act".

So, morality and education to help sport ethics prevail, a fair play that even the European Union has embraced: respect for the rules implying more than a merely formal participation in a set of behaviours deemed to be proper. A stimulus to individual conscience for many "positive" behaviours to be able to modify the culture of a whole circle, ultimately causing M-F to become marginal, if not impossible.¹⁷

Ethics and morality

There is no doubt that in addition to education in sportsmanship starting from childhood, a parallel initiative is required at existing sports institutions and for athletes who are already trained and competing. Although this concept is clear from numerous interviews, knowing that "A brilliant repressive activity could be a deterrent for people who make a living doing this, but it is clearly not enough". In fact, for many respondents there is a need for another step forward because "You have to introduce an assumption of responsibility that is better distributed among the various actors involved in the phenomenon". From this point of view sports institutions can make a vital contribution, like "football leagues [that] can definitely be more active in promoting activities that foster moral training of associates, players, athletes and management of football clubs". In summary, the interviews indicate that there is a need to:

- ❖ Build sports culture in schools, gyms and any other places where sports are performed, also by highlighting risks correlated with M-F.
- ❖ Underline the ethical value of sport.

¹⁷ European Code of Sports Ethics, approved by the European Ministers responsible for Sport, meeting in Rhodes for their 7th conference, 13-15 May 1992, FAIR PLAY – THE WINNING WAY. WINNERS ALWAYS PLAY FAIR

"You should not alter a sports result because it is a serious crime. A crime is a crime. We are therefore talking about something that must be presented for what it is: not an aberration but a criminal offence". In this sense "We have to work to moralise the system, providing various forms of educational and preventive activities".

Suggestions also concern law enforcement agent training, in order to "teach them about the nature of the problem and how to face it", as well as the "role of federations and leagues managing teams, who should foster sports culture in order to decrease exposure to M-F risk". Last, but not least, players themselves can be the main enablers of prevention: "by informing them, letting them understand the depth of this phenomenon, the risks connected to it, not only to do with ordinary justice, but also sport justice: it is important to help them understand that an athlete stands not only to lose his chance to play via disqualification, but also future proceeds from tournaments, sponsors, television appearances, etc."

According to the "Study on risk assessment and management and prevention of conflicts of interest in the prevention and fight against betting-related match fixing in the EU 28 T.M.C. Asser Instituut / Asser International Sports Law Centre July 2014 EUROPEAN COMMISSION", besides banning players from betting on their own sport, there is great need to educate players and increase their awareness on matters concerning fixed matches. This awareness initiative has a twofold nature. First, it applies to confidential information and the need to clearly explain players that even the apparently most trivial information (e.g., the injury status of a team mate) informally leaked on social media, the family or his/her entourage may influence betting patterns. Second, awareness is also about the process of "grooming" of young players by third parties (for example, the way in which third parties provide initial financial support for an emerging young player and/or offer the player gifts or other forms of support with the long-term objective of manipulating that player for gambling).¹⁸ The work of prevention, however, should go further, for example by involving the betting companies, as explained by one respondent: "We initiated a series of activities to raise awareness within companies, in particular on the direct connection between M-F activities and game collections, which must remain conceptually separate".

ANALYSIS NOTES

What appears, then, is that the awareness and empowerment of the various actors is quite scant. Hence a double action plan: working on self-empowerment and co-empowerment of the involved subjects. In summary, a cultural shift is needed to re-define the mandate of all players and institutions.

Essentially there is (or should be) a need for a work of instilling morality in the system through education involving the whole world of sports in the broadest sense, not limited to those who actively participate in sports competitions, to try to promote healthy sports culture, thus creating an environment that is as impermeable as possible to M-F risks.

¹⁸ Study on risk assessment and management and prevention of conflicts of interest in the prevention and fight against betting-related match fixing in the EU 28 T.M.C. Asser Instituut / Asser International Sports Law Centre July 2014 EUROPEAN COMMISSION

DIVING DEEP

How can these action plans be translated into actions?

At times, neither our interviews nor literature can clearly and materially grasp how these indications to promote and safeguard integrity and legality can be turned into practice.

Is there an implicit inference to the mandate resolution norm? Do we lack the tools to understand how to envisage and deploy a solution?

Initiatives taken by the sport industry



Following is a series of initiatives aimed at countering M-F, realised in the sports field or during major sporting events. While in terms of awareness these various initiatives show that there is still much work to do, they are still an important signal of accountability on the part of the sports world. As shown in the "Global Corruption Report: Sport Transparency International – 2016" the awarding and organisation of sporting events give rise to many opportunities for corruption, and to prevent it you can refer to the strategy published in 2013 by the office of the United Nations on Drugs and Crime (which contains more than 200 recommendations organised in 11 categories, covering all major public events).¹⁹

The Olympic Games

A remarkable example of what was just noted and that marked a kind of watershed, not only for the Olympic Games but for the world of sports in general, were the 2012 London Olympics. It was the first time that the Host City Contract contained a clause on monitoring and cooperation to combat the threat of match-fixing in sports betting. This was particularly appropriate for London, as the UK is considered one of the most liberal jurisdictions for sports betting, but also one of the best regulated. Moreover, after his election in September 2013, the IOC President Thomas Bach launched an open debate, inclusive and wide-ranging, called "Olympic Agenda 2020". Following a consultation – involving all stakeholders of the Olympic movement, external stakeholders and the public – 40 recommendations were made and approved unanimously by the IOC Session in December 2014.

¹⁹ Sorbonne-ICSS Integrity Report Sport Integrity Research Programme" (2012-14)

Football

Football is definitely a sport particularly "threatened" by M-F, and precisely for this reason it is important to highlight that it is possible to find different types of proposals coming from the different actors who participate in this world.

FIFA initiatives

In terms of rules against match-fixing, the "FIFA Code of Ethics" is applicable "to all officials and players and players' agents who are bound by this code at the time in which it is infringed". In addition to the code of ethics, there are several specific provisions, like the "FIFA Disciplinary Code" and the "FIFA Code of Conduct". FIFA has also developed a number of mechanisms to prevent threats against integrity and match-fixing. In fact, it offers a series of workshops and training courses for stakeholders and FIFA officials. It also provides an e-learning program developed in collaboration with SportAccord and Interpol, and has developed a specific e-tool to introduce and explain the code of ethics to football officials.

UEFA initiatives

In this abstract of the "Study on risk assessment and management and prevention of conflicts of interest in the prevention and fight against betting-related match fixing in the EU 28 T.M.C. Asser Instituut / Asser International Sports Law Centre July 2014 EUROPEAN COMMISSION", UEFA's commitment in terms of regulations to deal extensively with conflicts of interest and betting on match-fixing in Europe is clear. First, UEFA by-laws indicate that an overall goal of UEFA is to "prevent all methods or practices that might jeopardise the regularity of matches or competitions or give rise to abuse of football". The UEFA Disciplinary Rules provides more detailed provisions regarding integrity. The general conditions for UEFA referees, which have not changed since 2003, specify in article 6 that "the referees cannot take part in any activities that involve betting on UEFA matches". Both the UEFA Champions League regulations and the UEFA Europa League for the 2012-2015 period provided that to be eligible to participate a club must fulfil the "rules aimed at ensuring the integrity of the competition as defined in article 3". In 2013, UEFA introduced another possible mechanism for countering money laundering by football teams: The Financial Fair Play Rule, which is a directive for football teams to manage their businesses. UEFA has put in place a training programme for players, referees and officials to inform, educate and provide general advice on issues surrounding betting and match-fixing. UEFA has a sophisticated monitoring programme called Betting Fraud Detection System. With this detection system UEFA monitors all UEFA matches and 30,000 games and national cups through the 53 affiliated federations. If an irregularity is detected, UEFA contacts the national leagues and starts an investigation. However, FIFPro's "The Black Book Eastern Europe" (see next point) illustrates that the current UEFA licensing system is proving to be inadequate because too limited to have an effect. First, this system only applies to clubs participating in international European competitions. Second, it appears that the clubs, which are responsible under this licensing system, are also involved in the aforementioned practices.

FIFPro initiatives

Through its "Black Book Eastern Europe", in 2012 FIFPro (the global union of football players) proposed a call for all football stakeholders (FIFPro, UEFA, FIFA, the European Commission, ECA, EPFL) to join together because "no one can solve all the problems alone". "Don't Fix It!" was another project managed by FIFPro (and co-financed by the sports unit of the European Commission and UEFA) which aimed to counter match-fixing. This project lasted 18 months (from 1 January 2013 to 30 June 2014). During this project a transnational investigation was proposed in eight countries (with a total of 1,585 questionnaires completed by professional players). The survey examined the beliefs of the players with regard to match-fixing, the instigators and the causes of match-fixing, how match-fixing could be prevented, who should provide preventive education, who might be a trusted person for reporting information about match-fixing to, how they would prefer to report confidential information and reasons that may prevent them from doing so, the probabilities of reporting information and their own betting practices. Thanks to this initiative we can see some key points throughout Europe.

- ✓ Financial difficulties are often structural conditions that are the basis for potential M-F.
- ✓ The players give importance to their personal integrity, as well as nurture a strong desire not to disappoint their family, teammates, club or football itself.
- ✓ Multiple ways and mechanisms for reporting (e.g., telephone hotline, applications for mobile phones and face-to-face options).
- ✓ Involving players in developing solutions to corruption.
- ✓ The answers revealed that the threats to the integrity of football match-fixing and corruption differ from country to country. The most interesting thing is that the report supports the idea that the one-size-fits-all approach is unlikely to succeed and that the best approach will need to be "highly tailored".

Initiatives in other sports

It is appropriate to mention some of the measures being taken in other sports, although "less linked" to M-F in terms of social representation and the media. Given the transnational "nature" of professional tennis tournaments, it is commendable that the Women's Tennis Association (WTA), the Association of Tennis Professionals (ATP), the International Tennis Federation (ITF) and the Grand Slam Committee (GSC) have collaborated closely on the issue of M-F. In 2008 the Tennis Integrity Unit (TIU) was founded. The TIU is a joint institution headquartered in London, which has a global responsibility to protect the sport from all forms of corruption related to gambling. The TIU is composed of a director of integrity, two investigators, an Office Manager/Analyst and an administrator. The International Basketball Federation (FIBA)'s Code of Ethics, which is included in FIBA's internal rules, also covers conflicts of interest. The International Rugby Board (IRB) has anti-corruption and betting rules that apply to all rugby players, coaches, support personnel, match officials, administrators, club owners and others involved in rugby on an international, professional, semi-professional and senior level. The International Cycling Union (UCI)'s Code of Ethics is the main provision that deals with betting and M-F in cycling. The principles of the code – including integrity and the best interests of the sport – are applicable to the members of the management committee, the members of the Professional Cycling Council, commission members, all UCI staff, managers and

technical delegates ("Parties"). The Fédération Internationale d'Automobile (FIA) adopted a code of ethics in December 2013. The code recognises integrity as one of the main characteristics of sport, but does not include any explicit reference to conflicts of interest related to gambling and/or match-fixing. However, the FIA international sporting code contains a provision relating to betting and conflicts of interest. The Fédération Internationale de Volleyball (FIVB) introduced article 3.1.5 of its disciplinary regulations, a general ban on betting on competitions organised or recognised by FIVB. In 2014 the new disciplinary regulation, which became effective on 4 April 2014, includes an appendix B dedicated exclusively to betting and the manipulation of results. The Fédération Internationale de Ski (FIS) with Article 205.8 of the FIS International Ski Competition Rules introduced a ban on betting for competitors, coaches, managers and technical officials. This prohibition is restricted to the "outcome of competitions in which they are involved". FIS also adopted the "FIS Betting and other anti-corruption violations rules". The International Ice Hockey Federation (IIHF)'s Statutes and By-laws include specific rules to prevent conflicts of interest in relation to gambling and betting.

ANALYSIS NOTES

The matter is complex, the persons involved and the interests at play are many and differ from one another. As stated in the "Global Corruption Report: Sport Transparency International – 2016", a viable solution could be establishing an independent agency against corruption in sport. The agency should be funded by sponsors, placed at the "right distance" and operate free from the control of sport governance, or it may stand as a safe harbour to report corruption for informants or people fighting corruption in sport.

In summary

There is growing awareness among actors and stakeholders vis-à-vis the need for coordination; nevertheless no one highlights the need for a **coordinated interpretation** of the phenomenon. In other words, all recognise the need for coordination but only from an operational point of view, without a shared knowledge neither of the upstream phenomenon nor the purposes related thereto. Another point to ponder is the role and the weight that must be attributed to the legal aspects related to the phenomenon. Compared to the solutions proposed and implemented by the different actors working on initiatives to contain the problem, today there is a common belief that regulations are a vital and necessary tool, but still few are aware that while they are a necessary condition, they are not sufficient on their own, and that it is necessary to accompany and sustain them with targeted initiatives to strengthen them.

FOCUS: THE ITALIAN CASE

Following is the evidence of our research concerning the Italian situation, which may be summarised in the following points:

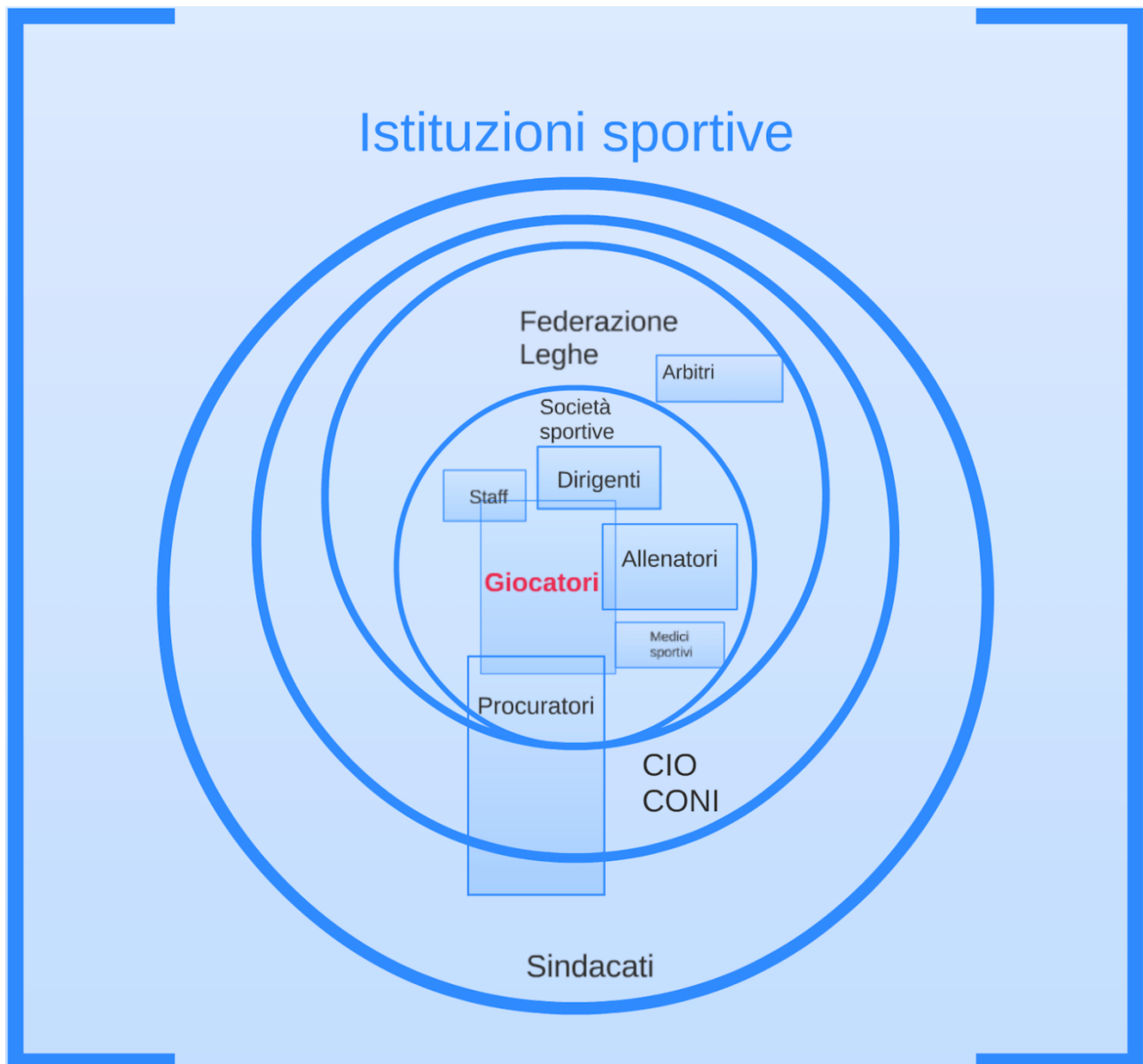
- ❖ characterisations;
- ❖ critical elements;
- ❖ resources.

Characterisations

By way of example, take football, due to its organisational complexity, the number of participants and fans of the sport, the enormous amount of media attention and financial resources linked to it and the interconnection with the real economy of the country.

Over time football has managed to carve out its own autonomy, not just organisational but also judicial, which has been emulated by other federations.

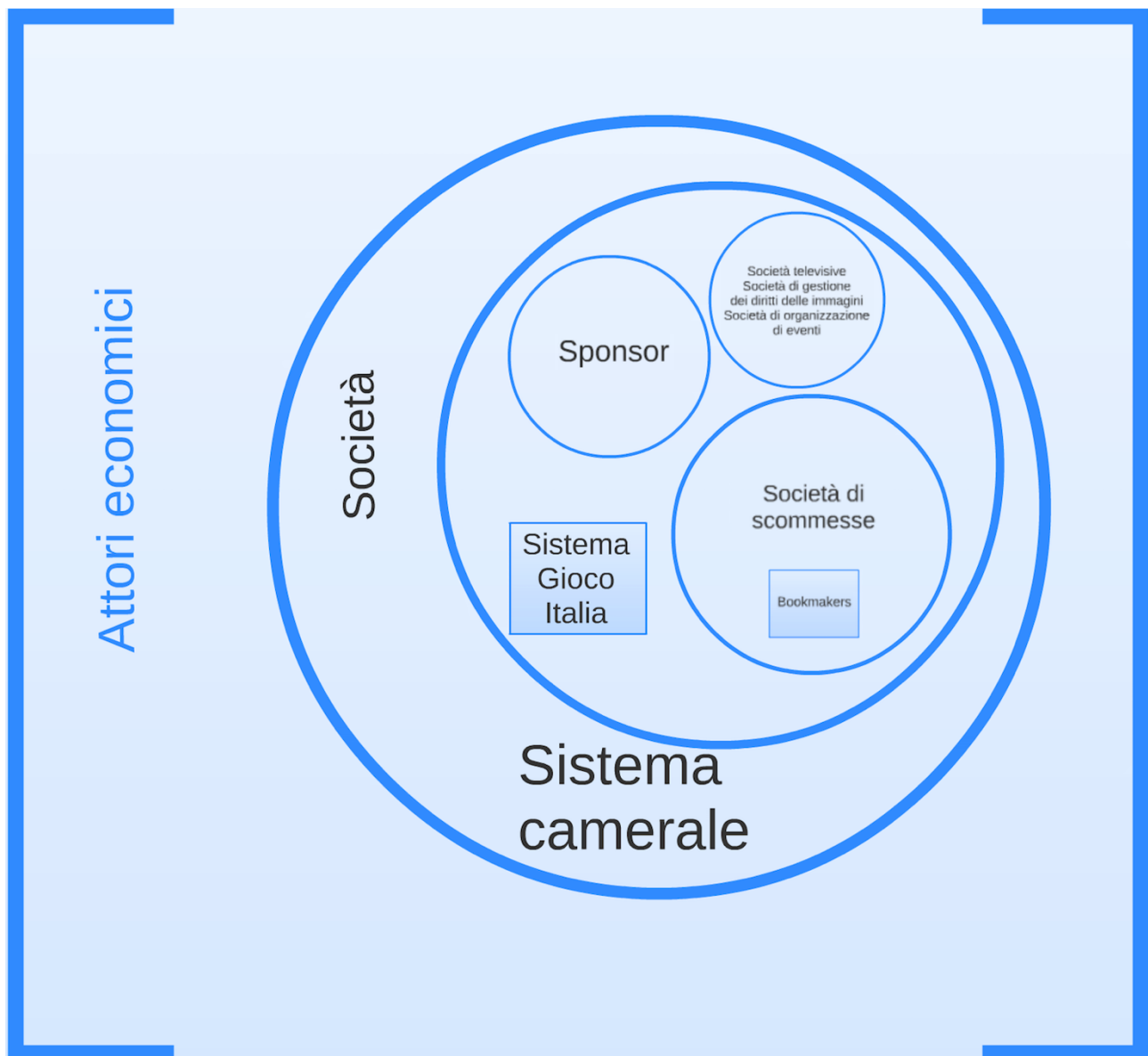
At the summit of the entire football system is the federation, responsible for registering all the professional athletes and organising the whole structure, from the leagues of the lowest level to youth leagues, and all the way to the top professional leagues. In fact, the individual athletes are registered with the various sports clubs affiliated to the federation itself and they must comply with the regulations. As for the clubs themselves, the professional ones are organised in leagues, the bodies that collectively manage the contractual provisions of the athletes, organising championships on behalf of the federation, and negotiating the earnings from broadcasting rights. As for the athletes, they take care of their own interests as individuals through their agents, and working together collectively as a union. Even the coaches have agents and are part of an association that takes care of their training, the only entity that can issue the "licence" required to coach professional teams. Then there are the managers of the sports clubs and executives of the national federation and its local branches (regional and provincial). Making the situation even more complex are the referees, organised in their own association, which is a member of the federation itself.

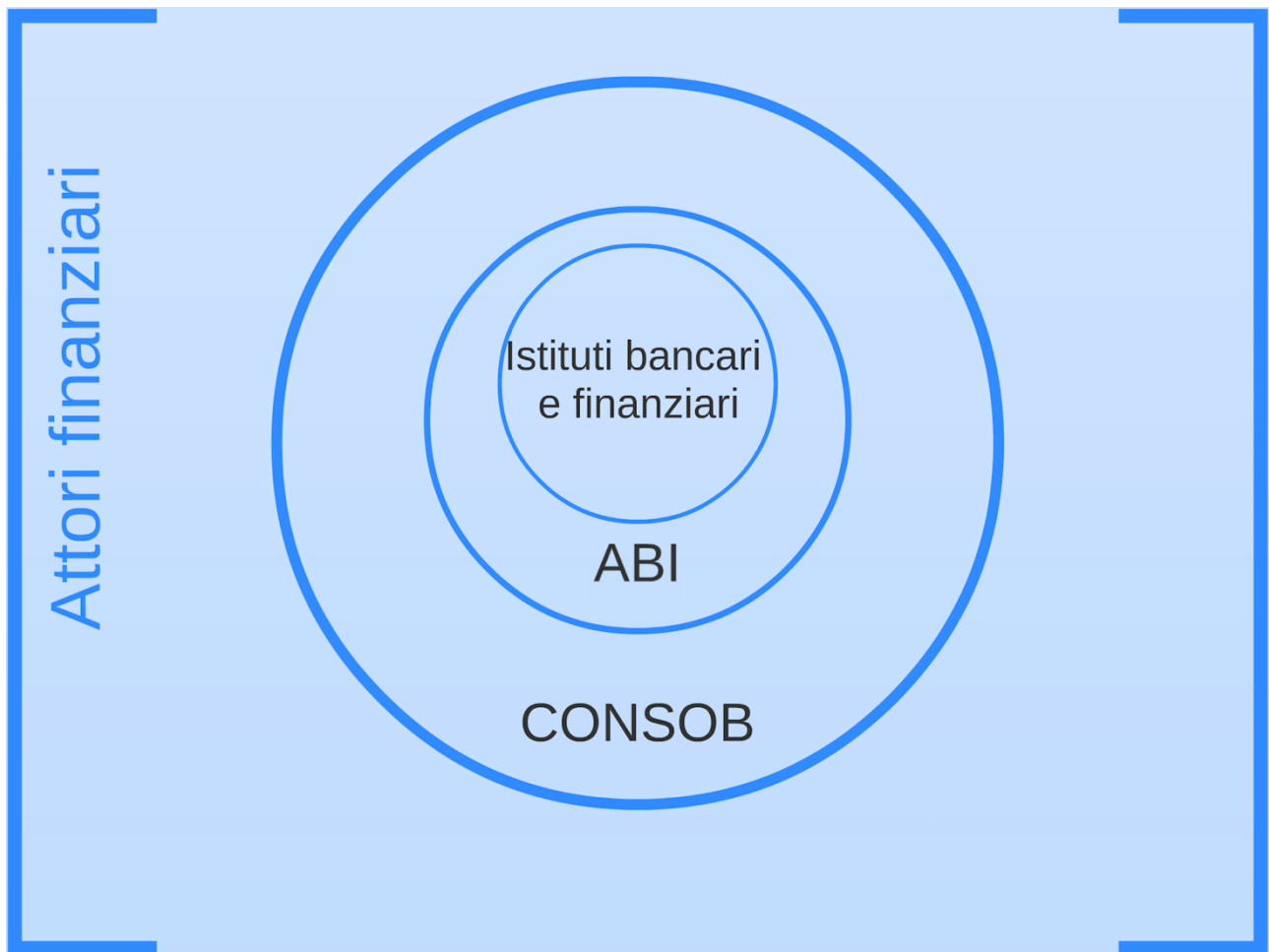


Widening the circle, one must add important non-formal institutions, like fans (usually organised) and the universe of football fans in general. The role of families and friends of the players should not be underestimated (as a potential resource to be relied on) and finally mass media. It's the mass media that greatly expand the number of people involved with football, transforming it into a popular and mass phenomenon that attracts enormous financial resources.



Football, being a sporting, cultural and financial phenomenon, collaborates with numerous financial institutions: clubs, in fact, take the form of companies and are subject to applicable laws. They stipulate contracts and obtain financing from other companies. The latter, for example, can include companies that manage the players – or their images – usually controlled by agents or so-called sponsors, usually divided into official and technical sponsors. The latter are providers of services for sports clubs, for example, producing uniforms, tracksuits or dealing with medical care. The official sponsors, on the other hand, are able to link their brands to the clubs themselves to raise awareness among the public, leading to phenomena of positive identification and fostering a return on investment through an increase in turnover. In fact, the names of the official sponsors appear on the shirts, the uniforms and all official communications from the company.





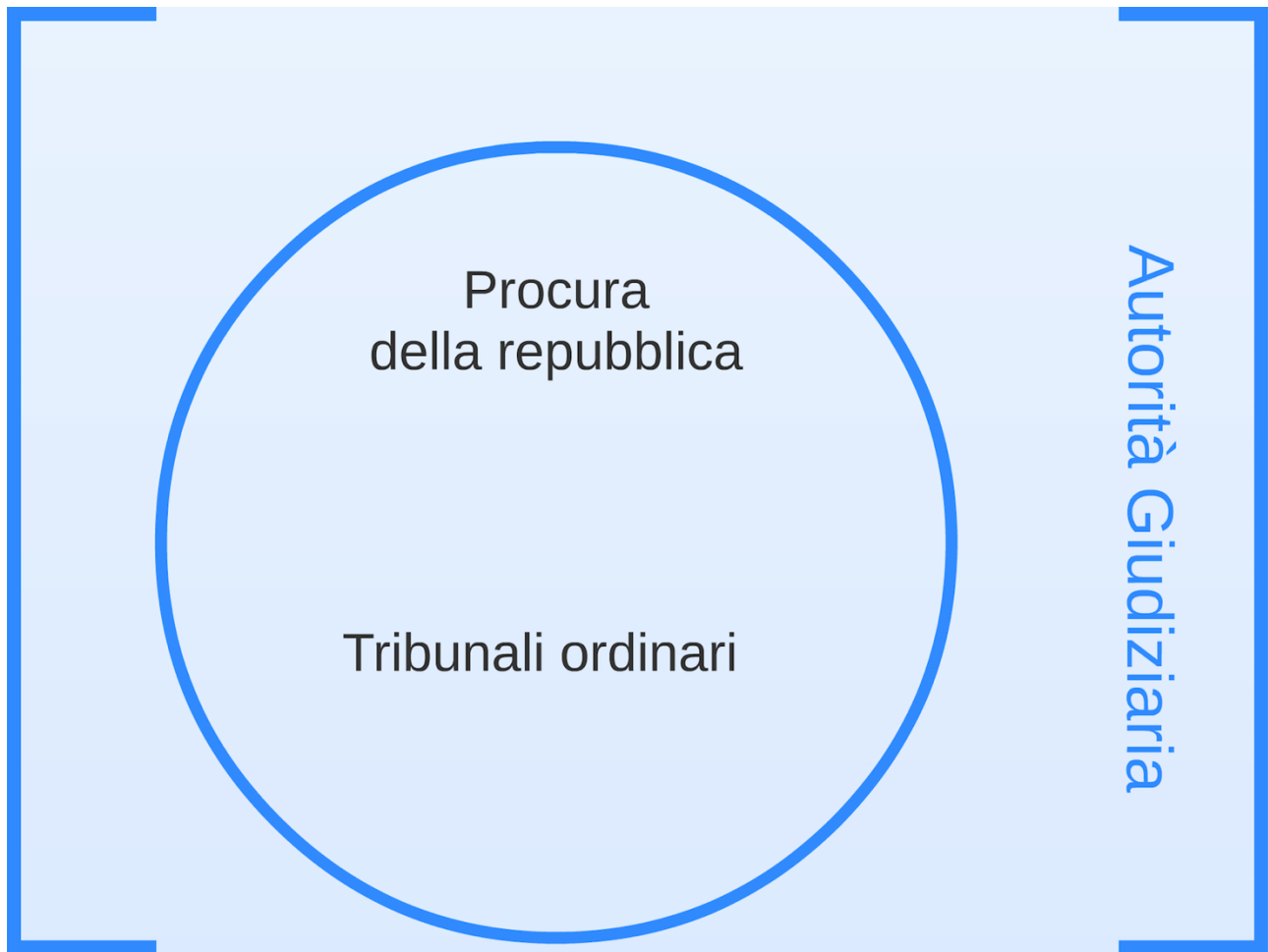
Other organisations that can be considered related to football's financial sphere are a number of companies that actually have no relations with individual sports clubs, but with the organised sport in general. These include companies that sponsor entire championships , legal betting companies, the bookmakers, the companies that buy the broadcasting rights of the matches. The sports clubs can also be traded on the stock exchange, therefore they are subject to the controls of the exchange itself.



As for the subject of controls, there are bodies involved in preventive monitoring: e.g., Covisoc for the financial statements of the sports companies themselves (but also the external firms performing audits and certifications of financial statements), the Customs and Excise Agency for the regularity of betting, the revenue office for fiscal compliance and so on.

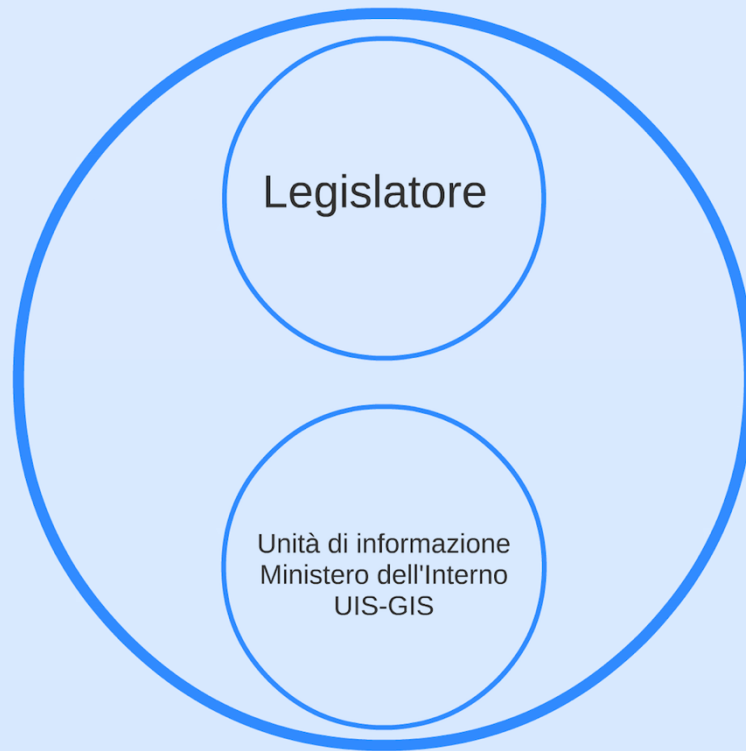
Organi di controllo e giustizia sportiva



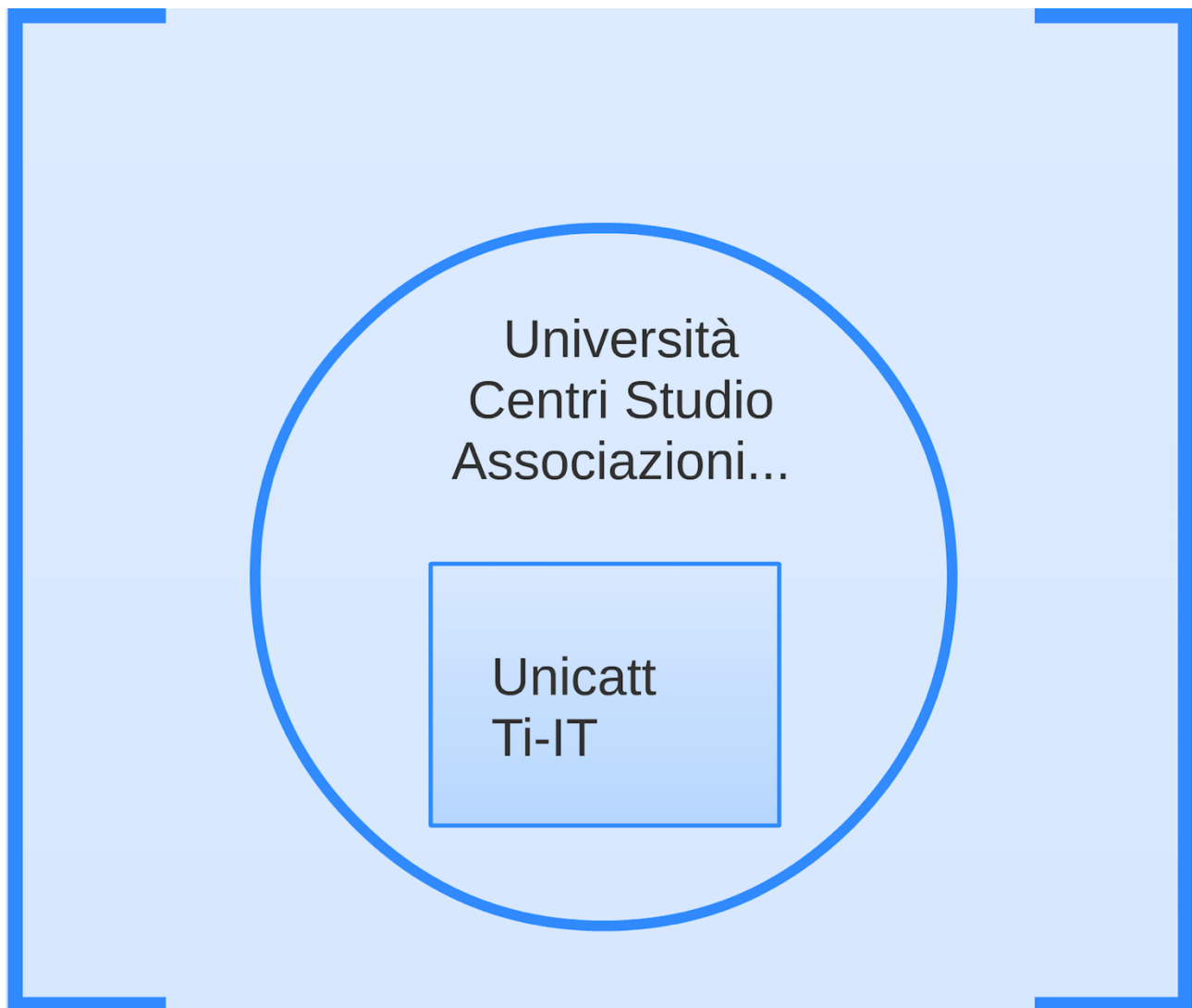


In Italy there is also a special investigative unit within the Ministry of Interior that is responsible for supervising the identification and reporting of suspicious betting patterns that may conceal M-F.

Autorità Politica



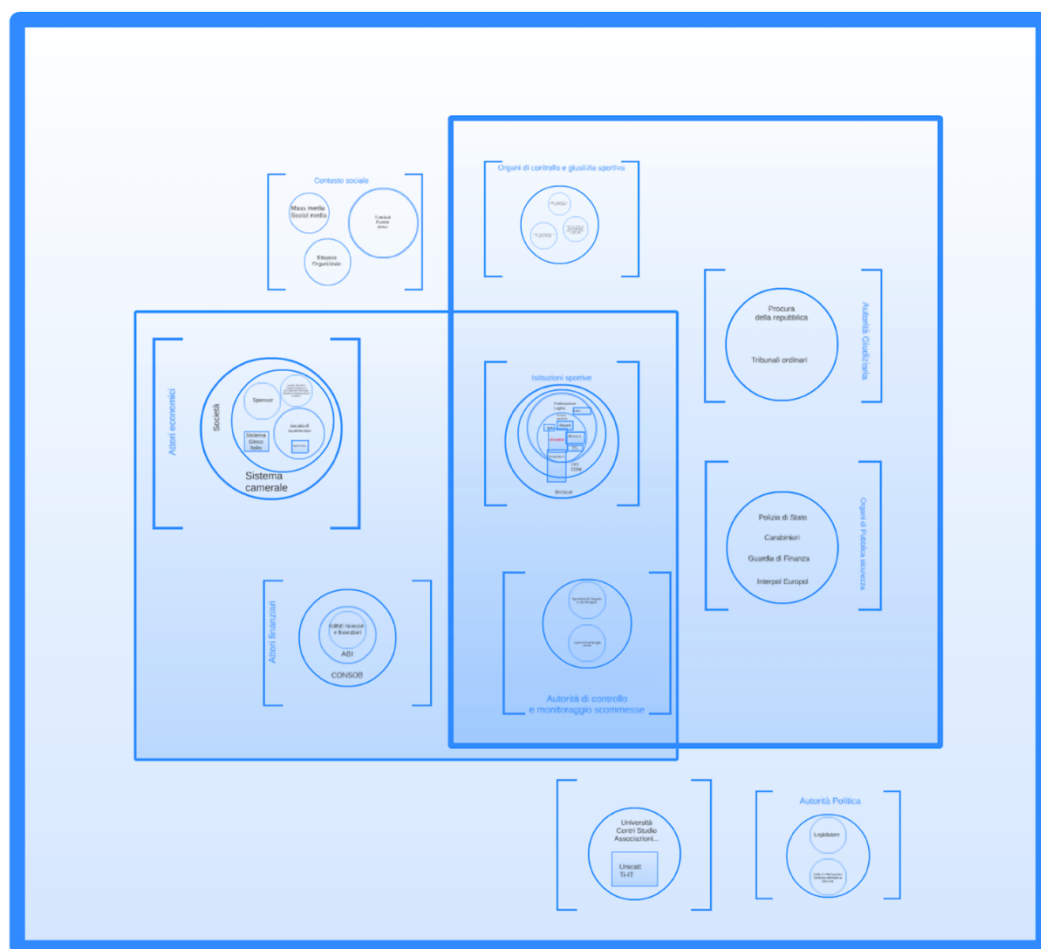
Finally, because of the scale of the issue, we cannot forget the national legislator (which has often intervened to regulate football) and institutions dealing with football in research, like universities, associations (like Transparency International against corruption), NGOs, local governments.



These are all the actors involved in various capacities when it comes to M-F.

Criminalità organizzata

Scommettitori
illegali



Representation of Match-Fixing on the internet

An investigation using the Google search engine in both Italian and English (keywords "match fixing", "match fixing and doping") on the images associated with the subject of M-F, of doping and the athletes involved (especially the most famous cases) – 45 images highlighted – demonstrates how the concept of match fixing on the internet is linked to financial considerations and not performance. In fact, the images (from match fixing football 2 to match fixing football 9) almost depict a football associated with money. The focus therefore is on corruption for the purpose of getting rich and not corruption to win a match. Only two cases differ: the first emphasises how match fixing tends to reduce players to puppets (match fixing 4), the second makes the viewer reflect on the fact that it is a criminal offence (match fixing 5). More rare are depictions that represent a behaviour that is deleterious for football in general (match fixing 1 and 8): in this case the images are dominated by a black colour that suggests gloomy scenarios or that focuses on the setting sun (of football). Even for M-F in tennis the emphasis is on the financial aspect (match fixing tennis). Newspaper headlines are always "shouted", i.e., presented in large letters, to underline the seriousness of the problem. As for Calciopoli (the Italian football M-F scandal), where the manipulation of the matches was for the purpose of winning and which occurred not through cash payments but by acting on referees, the images and headlines emphasise the scandal and punishment, or the obvious violation of

the rules (calciopoli 2, calciopoli newspaper 1 and 2). One case placed more emphasis on the "lust for power" (calciopoli1). In any case, it is also interesting to analyse two subjects seen from the side of the "condemned" (calciopoli newspaper 4), with the clear refusal of the judgements, or outside calciopoli with the troubled relationship between football and the acceptance of the result (calciopoli newspaper 3). Even when we are not dealing with fraud and scandals the headlines are in large print all the same, tending to point out that something is wrong, that everything is "rotten" or in any case distorted. The risk of continuous delegitimisation is precisely that of encouraging corruption and M-F. A sort of self-fulfilling prophecy. This aspect stands in sharp contrast to the images of football schools for children, where an effort is made instead to emphasise the technical aspect (football school 1,2,3), but also the desire to play without controversy or apparent problems. Definitely different is the leitmotif used to describe doping, especially in cycling. Here, in fact, the correlation between manipulation and the pursuit of victory is more evident. The syringe, symbol of the prohibited substances taken, is linked to the image of the fastest and most powerful rider (doping cycling 2, 4, 5). In the images we found an interesting emphasis of the fact that doping makes fans angry (doping cycling fans) and another pointing to the need for controls (doping cycling 3). Tennis, on the other hand, emphasises the negative aspect (doping tennis), with "pills" left on the court making it almost impossible to play. Also interesting is the image of a former champion, considered by all to be an example until it was made known that he had made use of doping: Lance Armstrong. In the image doping cycling 1 there is an evident emphasis on the deceitful nature of the athlete, transformed into a Pinocchio with a syringe for a nose. Returning to individual athletes, the opposite effect happened for images of Marco Pantani. After the doping scandal, his death and subsequent investigations aimed at reconstructing how the rider was the victim of a M-F system and not an athlete using doping to win races, the pictures on the web are almost a homage to the champion: Pantani is almost always portrayed at the height of his career, smiling and winning (Marco Pantani 1) and not a loser. Also significant is the image of the beach marble (Marco Pantani 2): children play with marbles, but also adults who teach this game to their children. Pantani is therefore a positive hero, so much so that his image can be conveyed to young children. The same thing can be said of Diego Armando Maradona: the "super champion" who has always fought with FIFA and drugs. After a phase of self-destruction followed by rehabilitation, the web conveys a winning image: Diego conqueror of the World Cup (diego armando maradona 1), Diego in the murals like a saint (diego armando maradona 2) and Diego today (diego armando maradona 3), a man who has been able to defeat his personal demons. For Simone Farina, the only Italian football player who reported a match-fixing attempt by giving up 200 thousand euros, images are most of him in a double-breasted suit with FIFA management (Simone farina 1 and 2), as well as community coach of the Aston Villa football school (Simone Farina 3). There is little of him as a football player, as if his gesture was so revolutionary that it put him, subconsciously, outside the circle of players (which is pretty much what actually happened). "Simone is not a part of football", the images on the internet seem to say, but rather a good guy who dresses well. The concept of community coach that exists in English youth football is interesting: a teacher whose first task is creating a community of values, before actually teaching technique. That's why he is surrounded by affectionate pupils (community coach image) and you don't see him at work. A final note about the charts: in "doping cycling table" we have the number of cases of doping in cycling worldwide between 2000 and 2010, a steadily increasing number, and also where a decline can be seen from the previous year, though the number is still greater than in 2000. In "doping in the world chart"

(figures for the year 2015 elaborated by the Movement for credible cycling) we have an interesting comparison between doping cases discovered in sports around the world (with track and field clearly in the lead, followed by baseball) and the cases country by country, led by the US and Russia and the tiny Dominican Republic. In "doping chart 1" we have another comparison between the percentages of doping cases discovered in various sports: in the lead are men's and women's baseball and softball together (though it is significant that the men's baseball line is lower), while cycling seems to register a downward trend, reaching the level of weightlifting. The lowest are track and field, football and tennis.

In summary, the complexity of this phenomenon appears to be quite self-explanatory.

This is why we analysed the critical elements and resources needed to deploy effective countermeasures.

Critical elements

Communication and relevant channels are a tangible sign of underlying connection and fragmentation processes to M-F in Italy.

More specifically, the widespread presence of an ambiguous attitude is considered by operators the most dangerous aspect when it comes to communication among the actors involved. As one interviewee stressed, in fact, "there may be 100 cases of ambiguity and 10 cases of reinforcement because clearly the reinforcement is limited to those that fix the match. In contrast, ambiguity arises from the fact that many can understand the news that there is something wrong but then they remain silent. Perhaps from a human point of view the silence is understandable, but the resulting damage is incalculable".

It is necessary to keep in mind the widespread presence of such an attitude when it comes time to consider the actions to be taken to combat the problem. In fact, the interviews conducted indicate that there are a number of issues related to communication that impact the various institutions involved in the fight against M-F. In particular, communication problems were found:

- ✓ Among sports institutions.
- ✓ Between sports prosecutors and state prosecutors.
- ✓ Among monitoring agencies.
- ✓ Between monitoring agencies, sports justice and state justice.
- ✓ Among various national and international police forces.
- ✓ Between authorities directly involved in counter-M-F activities and the business world.
- ✓ Between national and international actors.
- ✓ During public communication actions.

Below we will be carrying out a more detailed analysis of each of these critical points.

Among sports institutions

For organisational matters, every sports prosecutor has its own rules that are often different from those of others. From a sporting point of view, betting itself has a certain importance, but it acquires much greater significance and is different if combined with sporting fraud and sports activities that are actually illegal. Federation prosecutors and the general sports prosecutor, which acts as coordinator of these individual prosecutors, have tools available that are quite limited when compared to those of the ordinary courts. From the moment in which it identifies the existence of an abnormal flow of betting on a certain event and the sports prosecutors get involved, they have the ability to carry out document checks, technical assessments, (e.g., to check if the two teams that have played the event in question regularly pay salaries to their players, otherwise some of the athletes could be motivated to get involved in M-F phenomena). Beyond a certain point, however, they are not in a position to be able to carry out further investigations. It often happens, therefore, that sports prosecutors have to wait for the findings that have been acquired as part of the criminal investigation by the ordinary courts (see point 2), which availed itself of the judicial police. Such findings are made available to the individual sports prosecutors only later, so they can apply disciplinary sanctions for illegal behaviour to those within their jurisdiction.

Between sports prosecutors and state prosecutors

From the interviews conducted it emerges there is already a connection between the state courts and sports prosecutors, so it is simply a matter of "greasing" these mechanisms: in fact, the state courts provide the data acquired through the investigation to sports prosecutors, who then use that information for their proceedings. The difficulties that arose primarily concern the fact that the state courts must abide by a number of constraints and limitations related to the investigation: they cannot provide information, documents and information related to the inquiry itself. This may result in a noticeable delay of actions taken by sports prosecutors. Second, the degree of certainty of the evidence is different for sports justice than that required for ordinary justice. In fact, in the field of sports justice the rules for gathering evidence are simplified and less complex.

Among monitoring agencies

There are often concurrent responsibilities among the various agencies designated for monitoring: for example, in football consider the task of controlling the financial statements of professional sports clubs assigned to Covisoc, a body of the federation, and the similar responsibilities of Consob for sports clubs listed on the stock exchange. Then there is the issue of public communication of the monitoring agencies, in particular those specialising in the prevention of possible M-F phenomena. Interviews reveal a focus: "what results might a general communication of detected betting peaks lead to?". Summarising the views of some interviewees, there is a risk of initiating long legal disputes with the authorised betting agencies should there be any financial loss or damage related to a disclosure that is not then linked to any actual M-F phenomena.

Between monitoring agencies, sports justice and state justice:

According to the Italian criminal code, "evidence" is "proof of the existence of certain legal facts, even by demonstrating the existence of other facts from which we can infer the existence of those we are seeking to prove". In this sense, can the forecasts of monitoring agencies based on statistical projections be considered evidence? "It often happens that these companies produce results that can have a prognostic but not "factual" value." When can precise and reliable clues be considered enough to arrive at a disciplinary sanction to be enforced? "An agreement on where this border lies could really help the major problem of communication typical of the dialogue between monitoring agencies, sports justice and state justice". Similarly we must then reflect on the difference between a "report" and "evidence". Often communication problems between monitoring agencies and sports and state justice bodies engage across this border that is sometimes very tenuous.

Among various national and international police forces

"International cooperation between police forces in different countries is being optimised." In the last few years we have created structures with teams dedicated to the problem of M-F in the international arena, but the management of a collaboration and a beneficial exchange of information, besides being difficult to manage, may run counter to the problem of gathering evidence to be considered as proof. Here the various codes of criminal procedure of the states are not harmonised with each other, and the system, to accept "evidence" from abroad, requires procedures that are similar to Italian ones also in the foreign country.

With businesses

According to numerous testimonies collected in this study, "The collaboration between public administrative authorities and businesses is present in both informal and formal terms (when a common communication system was established), but companies still feel the need to strengthen this approach".

Communication at an international level

The international nature of the sport should be a factor that favours the discovery of misconduct, rather than inhibiting it. From this point of view there is still a lack of coordination at an international level both of authorities and federations. There is also a lack of attention and cooperation between foreign institutions or foreign and national judicial authorities. It is unlikely that the discovery of an offence in the national arena will also propagate to international ones and vice versa. Finally, there is a complex relationship between national and international supervisory bodies.

Public communication

"We should think more about what role the press can play without degenerating into public prosecutor...". We can start from this comment to try to understand the complex relationship between mass media and news related to M-F. Undoubtedly, the media tend to give prominence to the judicial investigations into M-F, but there is also a risk of "generalised evil" that could mean, paradoxically, making it legitimate. In fact, in the opinion of many respondents if the number of people involved is high, there could very well be a boomerang effect: "Everybody's stealing so I will too! What's wrong with that?". So, public communication regarding the general existence of illegal betting could lead to a risk of legitimising unlawful action. It is therefore worth underlining the importance of the role played by the media in emphasising not so much the existence of M-F as in giving prominence to its repression by authorities, underlining the risk that athletes run when they behave illegally. Therefore, the position of those who do this job is particularly slippery as it requires going beyond "the emotional wave when a scandal surfaces" or adapting to the 'average position of the public' only to sell some additional copies". Rather, the task of those who provide information should be to help promote a greater awareness of the phenomenon, also in terms of public opinion, thereby reducing the risk of rereading the phenomenon in a disorganised manner and driven by emotions rather than critical terms and in the broader context of society. However, journalists themselves recognise that "the media and press systems are going through a difficult time and cannot communicate these issues in a proper and 'powerful' way". This is due to two main factors: sports like football are powered by the same media that pay billions of euros in broadcasting rights; to avoid people not reading their articles because of a certain bias, newspapers may decide not to publish some stories.

Resources

According to many among the respondents of this research, a key element in contrasting M-F hinges on more power to systems, which allow to «detect abnormal betting flows or check information on suspects to later supply them to police forces or authorities operating at national level». There clearly is a need to protect sport by strengthening such tools as UISS, the Ministry of the Interior's Sport Betting Information Unit including members of police forces, the Italian Olympic Committee (CONI), the Customs and Excise Agency, FIGC and ASSI, as well as two ministry-appointed experts.

Sport Betting Information Unit – UISS

With a decree issued by the Minister of the Interior on 15 June 2011 the Sport Betting Information Unit (UISS) was established under the Department for Public Security, chaired by Deputy General Director for Public Security – Central Director of Criminal Police. The Unit has the following tasks:

- ✓ Monitoring and analysing news sourced by those organisms tasked with sport events organisation, management and control – including news concerning the prevention of violence in sport events – under Law 401/1989, for the purposes of preventing and combating crimes in the betting business.

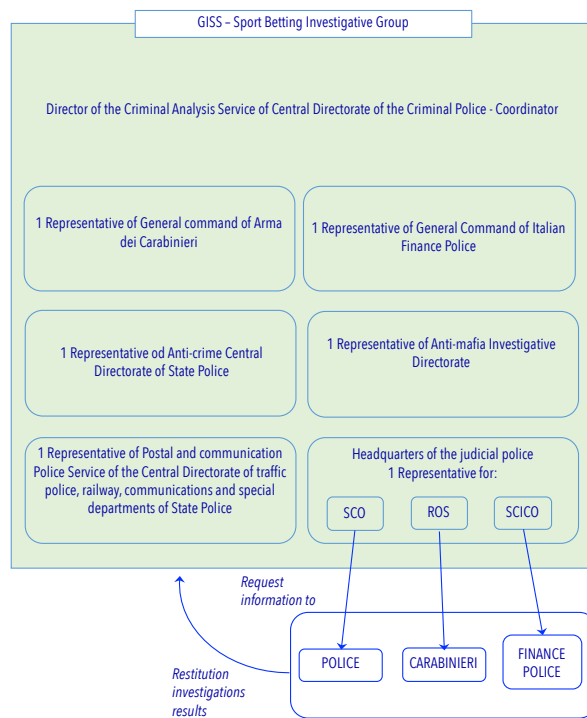
- ✓ Proposing suitable prevention and countering strategies as well as initiatives targeted at increasing international cooperation among police forces.

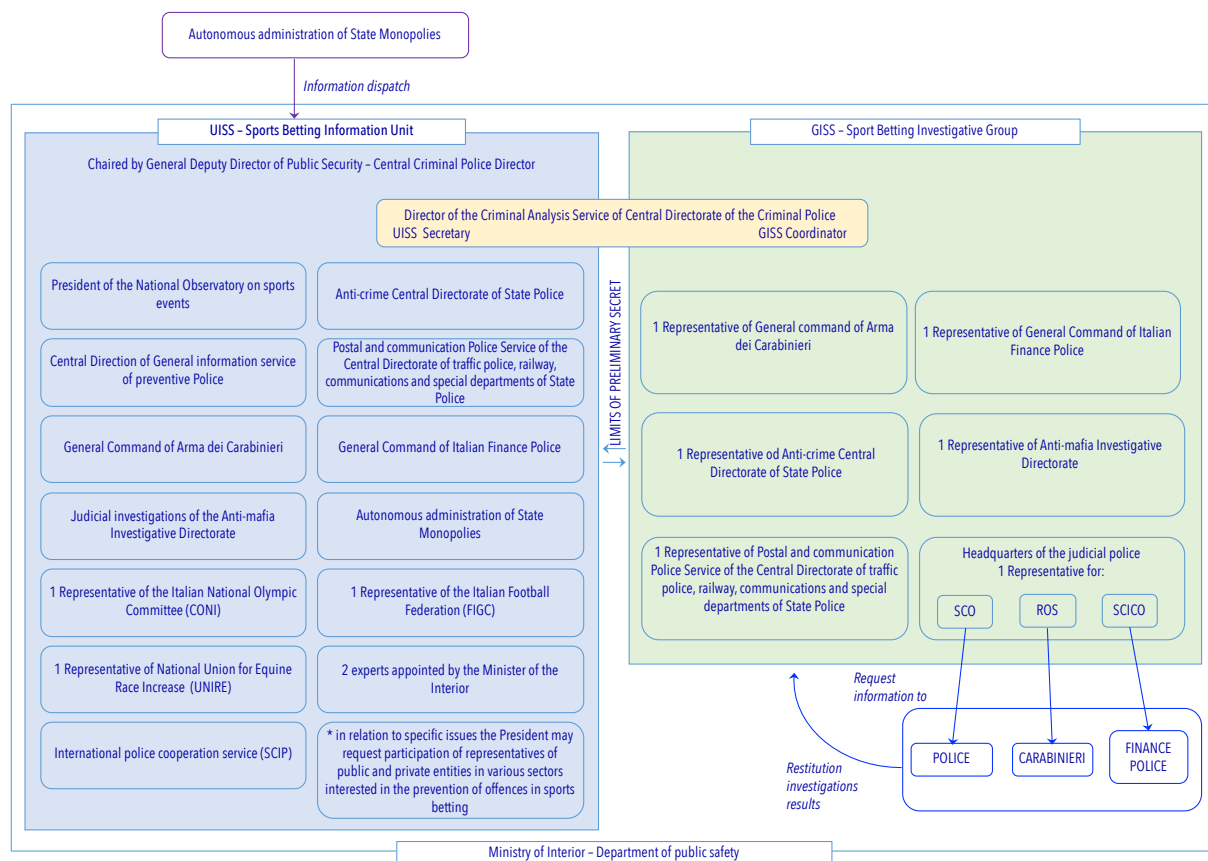
The Sport Betting Information Unit is a joint body composed of representatives of the Police Forces, the Customs and Excise Agency, CONI, FIGC and UNIRE, as well as two experts appointed by the Ministry. The decision to specifically involve representatives of some sports federations is due primarily to the fact that reports of suspected manipulation first arose in those sports.



Sport Betting Investigative Unit – GISS

With the same decree the minister of the Interior established the Sport Betting Investigative Unit (GISS), whose tasks include promoting and liaising contrast infiltration attempts into the sport industry, also at the hands of organised crime. The GISS is coordinated by the Director of Criminal Analysis Service and is composed of one representative of the General Command of the Carabinieri; a representative of the General Command of the Guardia di Finanza; a representative of the Central Anti-Crime Department of the State Police; a representative of the Anti-Mafia Investigative Directorate; a representative of the Postal and Communications Police Service from the Central Command of the Traffic Police, Railway Police, Communications Police and Special Departments of the State Police; and a representative of each of the command centres of the judicial police (SCO, ROS and SCICO). The GISS, upon receiving reports about abnormal flows, duly investigates on the reported matter and deploys any other investigative resources available to it. More specifically, SCO, ROS and SCICO can turn for further investigation to the Italian Police, Carabinieri and Guardia di Finanza (which, if need be, will be tasked with notifying the outcomes of the investigation to the state courts).





As stated by one respondent, it is a system that works well and so it would probably be worth increasing the synergies even more (especially by expanding the sharing of information among the various actors to avoid some parties remaining unaware as risky situations develop). The very fact that there is an organisation that reports and another that investigates is indicative of the level of prevention built into the system (for example, thanks to the contributions of UISS and GISS a proposal has been made to establish the criminal offence of sports fraud). Moreover, the guidelines of the two organisations – which determine in particular how the information must flow – are updated when necessary to better adapt to the changes and evolution of the organisations and the phenomenon itself.

However it has also been stated that "even if the car is good it still needs fuel". In fact, some critical issues have been raised.

- ❖ Compared to companies operating in the sector, only 60-65% of bets are monitored by the Customs and Excise Agency. Therefore only a portion of the phenomenon is being monitored (in particular with regard to all betting activities carried out online by companies that are not even linked from a legal point of view to the Italian territory).
- ❖ Often officials are in the situation of not being informed "promptly" because of the confidentiality of investigations.
- ❖ Sometimes data streams are unreliable, and even if they are valid, feedback from the operators is not always immediate.

The need for Public-Private Partnerships

The Italian system contemplates a public-private partnership mechanism between the concession holders in the betting industry and the Customs and Excise Agency, which has instituted a special crisis unit – Gioco Anomalo Scommesse Sportive (GASS) – to monitor sport betting data via a dedicated software program. GASS co-ordinates the two Ministry of the Interior units, UISS and GISS and – though with different purposes – the shared mission enables good collaboration capabilities and mutual interest.

The respondents, aware of the advantage such a mechanism already provides, suggested some elements to improve/strengthen this coordination mechanism. In particular, we note the following points:

- ✓ Improve the quality and quantity of shared information.
- ✓ Improve the pre-emptive identification of risk scenarios and the timeliness of alert procedures, as well as the ability to target investigative actions in order to strengthen prevention measures.
- ✓ Encourage a rapid feedback to the licensed operators of the exchange of information and actions to be taken (a tool that would be desirable to also handle the feedback and sharing with all operators who might be unaware of the risky situations that are developing).

In addition, the communication and relational difficulties so far encountered demonstrate that in the current Italian system partnerships between public and private parties should be increasingly promoted and supported. As clearly demonstrated by the following statement made by an interviewee: "it is now clear that state intervention, of state institutions, is no longer enough, but a partnership with the private actors is necessary". What the Customs Agency is able to do today, a public body that is also responsible for monitoring, "is great but it is limited because they are only able to observe that part of the operators who are the licensed operators". So there is a whole range of activities not being monitored that can only be observed by partnering with private betting operators, even internationally.

Italian legislation on Match-Fixing

Regulatory framework

Presumably as a result of major football scandals that rocked Italian football in 1980 and 1986,²⁰ Italy has set up a specific regulatory framework focused on sports to combat the problem of manipulation of sporting competitions, known as "*match-fixing*", through the introduction of the crime of fraud in sporting events under article 1 of Italian Law no. 401 dated 13 December 1989.²¹

²⁰ The football scandals of 1980 and 1986 involved many players and managers of football clubs in the highest professional leagues.

²¹ Official Journal of the Italian Republic 18 December 1989, no. 294 – Actions on clandestine gambling and betting and protection of the proper conduct of sporting events. (TOTONERO)

Following the introduction of the law, other regulatory provisions of a lower order were adopted, especially by the Ministry of the Interior and the Customs and Excise Agency, to combine the repressive actions introduced with preventive measures aimed at strengthening the fight against the phenomenon.

A. Article 1 of Italian Law no. 401 of 13 December 1989

The introduction of the crime of sports fraud, whether or not coupled with gambling and betting, fills a regulatory gap that entailed, before its introduction, the difficult application of the crime of fraud under article 640 of the Italian Criminal Code to sanction conduct typical of sports fraud, with obvious practical problems²² related to this specific type of offence.²³ Shortly before the issuing of the regulation, in 1988 the Court of Cassation²⁴ had attempted to define this phenomenon linked to the offer of bets: *"Clandestine match-fixing is one of the games of chance punished by art. 721 of the Italian Criminal Code because it is done for profit and the winnings or losses appear to be independent of the skill of the player and because, in particular, the outcome is connected to additional operations like that of fixing the matches or to possible agreements for a manipulated result"*.

As we shall see in the following paragraphs, the introduction of this type of offence in 1989 completed the provisions already present in the sport regulations.

In fact, presumably due to an awareness of a growing problem, the repressive context of fraudulent conduct in sporting competitions under art. 1 of Italian Law 401/89 was recently strengthened by the tightening of criminal and administrative sanctions as per art. 1, of Italian law decree no. 119²⁵ of 22/08/2014, converted into law by Law no. 146 of 17/10/2014, implicitly excluding that there may be cases of mild fraudulent conduct, previously sanctioned with just a fine.²⁶ In its current wording, art. 1 paragraph 1 of Italian law 401/89 punishes with imprisonment from two to six years and a fine ranging from €1,000 to €4,000 "anyone who offers or promises money or other benefit or advantage to any participants in a sporting competition organised by the federations recognised by the Italian national Olympic Committee (CONI), the Italian Union for the improvement of horse breeding (UNITE) or other sports bodies recognised by the State and the associations belonging to them, in order to achieve a result different from the outcome following proper and fair competition, or carries out other fraudulent acts aimed at achieving the same purpose". Art. 1 paragraph 2 establishes the same penalties for "the participant in the competition that accepts money or other benefit or advantage or accepts the promise

²² Court of Rome, 22 December 1980, in *Giurisprudenza di Merito*, 1983, II, p. 460, in which it stressed its opposition to framing unlawful sport conduct as fraudulent corrupt behaviour in the statutory scheme of fraud.

²³ The Court of Cassation noted how it was necessary to verify "the existence of a series of constituent elements typical of criminal conduct, like: a) the artifices or deception put in place by athletes; b) induction in error; c) the loss/damage resulting from the manipulated result; d) the causal link between the conduct of the individual athlete and the overall result of the competition". Court of Cassation, Criminal Section 3, Judgement 9 September 2015, no. 36350.

²⁴ Judgement of 16 July 1988, no. 1522 Court of Cassation, Criminal Section 1.

²⁵ Official Journal of the Italian Republic 22 August 2014, no. 194 – Urgent measures to counter phenomena of illegality and violence at sporting events, recognition of international protection and to ensure the functionality of the Ministry of the Interior. Converted into law, with modifications, by Law no. 146 17/10/2014, with effect from 22/10/2014.

²⁶ In the previous version of the law, no. 401/89, for cases considered mild the sanction was limited to a fine.

thereof". Art. 1 paragraph 3 establishes as an aggravating factor and therefore establishes an increase in prison time and fines²⁷ "if the result of the competition affects the conduct of legal gambling or betting". By setting a punishment that provides for a maximum greater than five years, the change of 2014 now allows monitoring of communications during the investigation phase under article 266 letter a) of the Italian Code of Criminal Procedure²⁸ and in theory allows the application of all coercive measures. Finally, if convicted for the crime in question, accessory penalties are provided for in art. 5 of Italian Law 401/89, like denial of access to the places where sports events are held, or authorised bets are received or authorised gambling is organised, and a disqualification from holding offices at sports clubs for six months to three years as per art. 32 bis of the Italian Criminal Code.

Purpose of Italian Law 401/89

From the parliamentary report to bill no. 1888 presented on 14/11/1987 which then became Italian Law no. 401 of 1989, as well as from the case law, it is clear that the purpose for the introduction of the crime of sports fraud was twofold: on the one hand, to ensure fairness and propriety²⁹ in the conduct of sporting competitions in the public interest, a legal right defined as "ultraindividual" by the case law³⁰ and the authenticity of the result of the sports competitions themselves; on the other hand, preventing the phenomenon of illegal betting, by countering illegal gambling and betting under art. 4 of Italian Law 401/89. A brief analysis of the case law of the offence of sports fraud allows us to analyse the main critical issues that emerged in the application of the law and how these were resolved.

Active parties (offenders) in the crime of sports fraud

In the crime of sports fraud under art. 1, paragraph 1 of Italian Law 401/89 according to the prevailing case law, the status of active party of the offence (offender) was interpreted broadly: whether athletes³¹ or club executives,³² whether sports fan or any person external to the world of sport.³³

²⁷ Art. 1 para. 3 Italian Law no. 401/1989: "*The penalty of imprisonment is increased by up to half and a fine of €10,000 to €100,000 is applied*".

²⁸ Court of Cassation, Criminal Section 3, Judgement 21 January 2016, no. 2608: "*In proceedings for sports fraud wire taps are not allowed for attempted extortion, even though there may be a connection between the two investigative strands*".

²⁹ Court of Cassation, Judgement 29 March 2007, no. 21324: "With the regulation of 1989 as subsequently amended, the law-making authority sought to intervene in ensuring the proper conduct of sporting events, countering forms of corruption in sport, or generic fraud with the aim of achieving a result that is different from the outcome that would follow fair and proper competition".

³⁰ Court of Cassation, Criminal Section 3, Judgement 9 September 2015, no. 36350. And again: "*Article 1, first paragraph of Italian Law no. 401 of 13 December 1989, which protects the authenticity of the outcome of sporting competitions regulated by it, in respect of the chance/risk correlated with the aforementioned competitions, is a regulation that incriminates two distinct behaviours, the first consisting in a form of corruption in the sphere of sports and the second in a generic fraud, both with specific intent consisting in the purpose to achieve a different result from that which would arise from the fair and proper conduct of the competition*".

³¹ Court of Cassation, Criminal Section 2, Judgement 29 March 2007, no. 21324: "*The offence of sports fraud (art. 1 paragraph one, of Italian Law no. 401 of 1989) is also committed by the athlete who has knowingly and deliberately agreed to perform "other*

Of course the need remains for specific intent on the part of the active party, namely that consciousness and will that the fulfilment of an agreement or other fraudulent acts are aimed at achieving a different result from the outcome of fair competition.

The Court of Cassation also emphasised the difference of the active parties of the crime with respect to the sports regulations: *"anyone who engages in other fraudulent acts aimed at the alteration of sporting competition, since, unlike the corresponding disciplinary offence, for the purposes of the definition provided by the second sentence of the first paragraph of Italian Law no. 401/1989, the participation of the acting party in the competition is not necessary, applying the general rules on parties to crime contained in article 110 of the Italian Criminal Code"*.³⁴

Behaviour and definition of the crime

The case-law of the Supreme Court has made it possible to identify two alternative behaviours under the law: *"a specific type represented by the offer (or promise) of money or other benefit or advantage; the other, more general, constituted by the performance of other fraudulent acts, namely generic fraud in order to cover every possible behaviour aimed at alteration of the rules of fair athletic competition"*³⁵ and pointed out the need for specific intent that regards both behaviours *"aimed at achieving a result different from the outcome that would follow proper and fair conduct of the competition"*.³⁶ The prevailing case-law interpretation believes both criminal behaviours to be of

fraudulent acts" other than those specified in detail by the first part of the same provision to alter the authenticity of the outcome of a sporting competition".

³² Court of Cassation, Criminal Section 4, Judgement 11 September 2012, no. 34753.

³³ Court of Cassation, Criminal Section 3, Judgement 9 September 2015, no. 36350: *"With reference to the active party of the offence, provided that it is a provision with multiple cases, the expression used of 'anyone' suggests what was (and is) the intention of the law-making authority: to include in the crime any behaviour that is not only of the athlete himself, but any other party, possibly not belonging to the sporting world. However, there have certainly been different interpretations, also in consideration of the fact that the carrying out of 'other fraudulent acts' as indicated in the second part of article 1 can be considered a sort of closing formula of a supplemental and comprehensive type used by the law-making authority to punish a series of concrete cases not included in the first part of the law which refers to giving (or promise) of money or other benefits or advantages which is illicit as aimed at achieving a purpose not permitted law. In fact the so-called 'narrow' interpretation has no raison d'être as the promise or offer of benefit or money or other benefits is one of the possible behaviours specified by the law with respect to a comprehensive behaviour that considers both the first and the others (hypothetical and not described) as fraudulent acts. This makes it possible to affirm that any party, and therefore even a non-athlete, can be considered an active party of the offence. On the other hand, a narrow interpretation would run a high risk of creating a dangerous area of impunity which certainly did not fit the intent of the law-making authority concerned, at that time, with fighting the phenomenon of so-called 'sports corruption' and the lawfulness and fairness of sports competitions"*.

³⁴ Court of Cassation, Section 3, Judgement 21 July 2015, no. 31623.

³⁵ Court of Cassation, Criminal Section 3, Judgement 25 February 2010, no. 12562.

³⁶ And again: *"The incriminating act that assumes greater importance (also in relation to this process) for the interpretive issues arising therefrom, is the one in article 1, paragraph 1, second part, which provides for, as mentioned, generic fraud in sports competitions. Such conduct, in fact, for the vagueness that characterises it, has appeared susceptible to application also to heterogeneous conduct that is different from simple offer or promise of money that – according to the expression used – echoes the crime of corruption. The crime provided for in article 1, paragraph 1, first part, is structured along the lines of the crime of incitement to corrupt provided for in article 322 of the Italian Criminal Code that is committed as soon as the conduct described by the law takes place, i.e., at the moment in which the promise or offer is made. In particular, for the offence referred to in article 1, paragraph 1, first part of Italian Law 401/89, the acceptance of the promise or offer by the recipient is not relevant for the purposes*

"strict liability" i.e., that the offence is considered committed already in the presence of the act intended to achieve the targeted objective, without it being necessary to achieve the actual result. The crime of sports fraud is defined as *"a dangerous crime that is committed at the time and place where there is the promise or offering of an undue advantage or the commission of any other fraudulent conduct and not at the time of the acceptance of that promise or offer"*.³⁷

In 2015, the Supreme Court³⁸ further clarified the nature of the offence, considering it defined with respect to the conduct of a manager of a football team who had indirectly through third parties solicited, admonished and pushed for the designation of acceptable referees, including it in the category of crimes of *"a free-form aggression"*³⁹ based on pure conduct, in which the threshold of criminality is advanced to the performance of an activity aimed at altering the course of the competition, so that the same is committed at the time and place of the occurrence of the promise or the offer of an undue advantage or the commission of any other fraudulent conduct, it not being necessary for the competitive outcome to be actually altered...". *"For the purposes of the definition of the crime of sports fraud, which safeguards the "ultraindividual" legal right of the fairness and proper conduct of sporting competitions, the act is deemed fraudulent, pursuant to art. 1, first paragraph, second part of Italian Law no. 401 of 13 December 1989, when it tends to affect the mechanisms by which the competition is organised and governed by attacking it with the inclusion of factors that may affect its outcome, even just potentially"*.

Incidentally, in this regard the case-law on the merits has applied the law only to qualified sports competitions and not to any sports competition.⁴⁰

of the identification of the moment of commission of the crime, on the grounds that the acceptance, unlike the provisions for corruption, does not change the type of the offence, but separately constitutes the recipient's own criminal conduct: and it is no coincidence that in sports law, in force at the time of the facts (article 6 of sports justice code FIGC) paragraph 1 – modelled like the second part of the criminal provision in question (carrying out "other fraudulent acts with the same purpose") – sanctions the performance, by any means, of acts aimed at altering the course or outcome of a competition, the sanctions being the same both for attempted and committed offences. For completeness it can only be observed that the corresponding act of sports offence in the disciplinary field is confined to the subjective sphere insofar as legal significance is accorded only to the subjective projection of the act aimed at affecting the outcome of the competition, while the elements of the suitability and uniqueness of the acts under article 56 of the Italian Criminal Code do not assume any importance in this field".

³⁷ Court of Cassation, Section 3, Judgement 31 March 2010, no. 12562: *"The criminal act, therefore, is considered committed when there is the promise or offer of an undue advantage or the commission of any other fraudulent conduct. This led to the case law of this Supreme Court to qualify the act in question as a dangerous offence for which the phase of making an attempt cannot exist, the threshold of the offence being advanced to the mere completion of an activity aimed at altering the course of the competition. Hence the irrelevance of ascertaining the time when the parties, in exchanging offer and acceptance – even just the promise (conduct alternately provided for by Italian Law no. 401 of 1989, article 1, paragraph 2) – have reached a fraudulent agreement as is irrelevant the time of bestowal of the money or other benefit..."*.

³⁸ Court of Cassation, Section 3, Judgement 9 September 2015, no. 36350. In the same manner, Court of Cassation, Section 3, Judgement 21 July 2015, no. 31623.

³⁹ Again, in the same manner, *"the combination of such acts to the category of so-called crimes "of attack", well known to criminal law authorities and case-law that, in general, does not provide for the possibility of the attempt being punishable autonomously: the threshold of liability to punishment is thus advanced to the completion of an activity aimed at altering the course of the competition"*.

⁴⁰ See Court of Cassation, Criminal Section 6, Judgement 25 January 1996, no. 3011.

Commission of other fraudulent acts

Noting the variety of behaviours aimed at the alteration of competitions, the law-making authority, with art. 1, paragraph 1, of Italian Law no. 401 of 13 December 1989 attributed criminal implications also to other "fraudulent acts" aimed at altering the results of competitions. This expression has been the subject of important clarifications by the case-law. Today, the dominant orientation of the Court of Cassation⁴¹ maintains as "fraudulent act any act that tends to affect the mechanisms by which the competition is organised and governed, by incorporating factors that may affect the result, even just potentially" therefore characterised by the artificial nature of the conduct and its aim to alter the competition. Again, according to an important ruling of the Court of Cassation⁴² in 2015: "The sum of different elements which, independently considered, would sometimes indicate a violation of rules and, sometimes, of fraudulent agreements, thus becomes the demonstrative factor of a complex fraudulent conduct that places in danger the legal right of loyalty and fair play in the conduct of sports competitions".

In this specific case, the Court held that the concept of "fraudulent acts" and the crime of sporting fraud could include the undue interference of the accused legal representative of a football club in the assignment of the referees, in order to facilitate the participation of referees considered more favourable to the club in its matches.

⁴¹ In this regard, most recently see Court of Cassation, Criminal Section 3, Judgement 29 September 2016, no. 40648: "The Italian Law no. 401 of 13 December 1989, article 1 provides, as an alternative to the conduct covered in the first part of article 1, the commission of other fraudulent acts aimed at the same purpose of achieving a result different from the outcome that would follow proper and fair conduct of the competition. The various hypotheses described in the law are clearly alternative to each other, with the result that the commission of any act of fraud, other than the promise of money or other benefit or advantage to any of the participants in the competition, but made for the same purpose of affecting the result, is all the same deemed to qualify as an offence as provided for by the law".

⁴² Court of Cassation, Criminal Section 3, Judgement 21 July 2015, no. 31623: "However the meaning of 'fraudulent act' must be understood, as a general rule, as coinciding with any conduct aimed at altering the context of the competition that is necessarily manifest before the competition to influence it in some way. The act is fraudulent when it tends to affect the mechanisms by which the competition is organised and governed, by attacking it with the inclusion of factors that may affect its outcome, even just potentially". This means a wide range of behaviours in the sense that, for example, this can include the agreement between the president of a club competing in a given championship and the person who assigns referees for the individual matches; also, the act by which a president expresses a preference to include in the so-called "trio" one referee instead of another. Thus is also qualified as fraudulent the president of a club approaching a referee assigned to the match in which the "reported" team will participate, and again, the discreet contact between the president of a club and the person in charge of assigning referees and the referees to discuss issues regarding the conduct of the championship and its progress or other suggestions to promote one team or another in the competition...". "There is no doubt that any agreement between the president and/or the sports manager of a certain club with the person assigning referees for matches should be considered a fault in the system, not only from an ethical or deontological profile, but also under an aspect that can be assessed in criminal proceedings; as there is also no doubt that it is equally improper for both the president and the person who assigns referees to be involved in this type of encounter, especially since the person assigning referees is institutionally appointed to ensure maximum transparency in the assignments from the beginning of this complex procedure. What is important is, therefore, the rule violation realised through the intrusion of parties not entitled to participate in the organisational phase of a sporting event, in which the choice of referees goes through a series of activities that must in absolute terms ensure the impartiality and the impossibility of interference by interested external parties".

Relationships with sports rules

Sport has established an actual system of rules⁴³ that applies sanctions to sports fraud like the alteration of a match in its outcome or its conduct.⁴⁴

With the introduction of the crime of sports fraud, the law-making authority intervenes specifically in this area, overcoming its initial reluctance to intervene, presumably seeking to respect the principle of autonomy of sport and its rules.

The case-law stepped in to clarify the relationship between state law and sports rules to affirm the prevalence of criminal justice over that of sports.

In a specific case, the Court of Cassation thus justified the standing of the Italian Football Federation as plaintiff in relation to the offence of sports fraud ascribed to the accused, later acquitted in the sports disciplinary proceedings: *"In consideration of the autonomy of sports rules and state law and the prevalence of criminal justice over sport justice, the Italian Football Federation has legitimate standing to sue in relation to the crime of sports fraud even if during sport disciplinary proceedings the accused was acquitted on the same charges being brought up in criminal proceedings, since what is relevant for the purposes of civil action in the criminal proceedings is simply the ascertainment of an offence from which can derive detriment to the subjective right pursued by the organisation and that there is no sports detriment with respect to the ascertainment carried out in criminal proceedings"*.⁴⁵

Precisely the Supreme Court stressed the differences between the two systems: *"In the crime of sports fraud the role of active party in the crime can be anyone who engages in other fraudulent acts aimed at the alteration of sporting competition, since, unlike the corresponding disciplinary offence, for the purposes of the definition provided by the second sentence of the first paragraph of Italian Law no. 401/1989, the participation of the acting party in the competition is not necessary, applying the general rules on parties to crime contained"*⁴⁶, or again: *"As per article 1, first paragraph, Italian Law no. 401 of 1989, the 'other fraudulent acts' that are considered as offence of sports fraud do not include mere breaches of the rules of the game, which are punishable only according to the sports rules, the conduct only becoming criminal if it contains an artifice or deception that fraudulently alters reality, altering the proper and fair result of the competition"*.⁴⁷

⁴³ "The system of sports rules, while having its own standards in many respects and having various degrees of jurisdiction to decide its disputes, does not have that objective validity that comes from specific and broadly shared values that would actually allow it to be autonomous and to counter the forces and interests that interact with sports and move it towards values that are foreign to it". In *Responsabilità civile – Percorso di giurisprudenza* (Il Sole 24 Ore) by BLB Studio Legale- p. 1062 by Serra Maria Francesca.

⁴⁴ Article 7, paragraph 1, of the FIGC sports justice code.

⁴⁵ Court of Cassation, Criminal Section 3, Judgement 9 September 2015, no. 36350.

⁴⁶ Court of Cassation, Criminal Section 3, Judgement 9 September 2015, no. 36350.

⁴⁷ Court of Cassation, Criminal Section 2, Judgement 29 March 2007, no. 21324.

B. Minister of the Interior Decree no. 11001 of 15 June 2011

For the purpose of better preventing sports fraud, also associated with the offer of gambling and betting under article 1, paragraph 3, of Italian Law no. 401/89, with decree no. 11001 of 15 June 2011⁴⁸ the Ministry of the Interior set up the Sport Betting Information Unit, better known as "UISS", which is composed of representatives of the police, the Customs and Excise Agency, representatives of the Italian Football Federation, representatives of CONI and the former UNIRE, and the Sport Betting Investigative Unit, better known as "GISS", which consists of the Anti-Mafia Investigation Department (DIA) and the Central Operational Service (SCO), the Special Operations Group (ROS) of the Carabinieri, and the Central Investigation Service on Organised Crime (SCICO) of the Guardia di Finanza.

The Customs and Excise Agency, in turn, has set up a special crisis unit called *Gioco Anomalo Scommesse Sportive* (GASS) to continuously monitor sports betting data using specially designed software.

These units will coordinate among themselves in order to improve the early identification of risky situations, promptly initiating the alert process when necessary and boosting the capacity to orient investigative actions.

Also, in order to improve coordination at an international level through the exchange of information precisely for the prevention of M-F, it is worth mentioning the bilateral cooperation agreement signed by the Customs and Excise Agency and its French counterpart for the regulation of remote gambling and betting, the *Autorité de regulation des Jeux en ligne* (ARJEL) on 28 June 2011.

C. The regulation of relationships with betting shops

When submitting an application to become a betting shop, even for remote betting,⁴⁹ those making the request must respect provisions concerning the absence of conflicts of interests, declaring that they "*nor any of their partners [do not] directly or indirectly manage organisations or sports activities or in any case other activities subject to public competition, except for what is established in article 2, paragraph 4, of the decree of the Italian President of the Republic no. 169 of 8 April 1998 regarding racetracks*" or not to have "*interests in companies or sports associations that carry out activities whose outcomes are subject to fixed-odds betting on sporting events*".

Then, during the concession, the licensed operators are required to report to the Agency any activities deemed to be suspicious and/or irregular, including irregular or abnormal betting flows that lead them to believe that an act of sports fraud is taking place. Licensed operators that offer gambling with remote participation are required to block gaming accounts for the amount of time required to establish the facts and report them to the Agency when there is suspicious betting activity.⁵⁰

⁴⁸ The ministerial decree is not published in the Official Journal, it being an internal act.

⁴⁹ Directorial decree implementing Italian Law 88/2009 – Annex to "Application for participation presented by sole trader, partnership or company".

⁵⁰ Art. 10 paragraph 6 of the gaming account contract form "*Contract for participation in remote gambling*" prepared by the Customs and Excise Agency.

In summary

It is the opinion of respondents that while in Italy there has been an update of the current legislation, an aspect of the legislation still needing to be changed is related to the fact that "in the face of huge profits there are no penalties that are proportionate to the gravity and extent of the problem".

Furthermore, during these two years two budget acts have allowed a procedure known as "emergence", legalising the collection of previously unauthorised shops. Many respondents are asking "if such measures have had an effect and to what extent".

Then, with regard to art. 24, para. 29 to 31 of Italian Law Decree no. 98/2011 converted into law no. 111 on 15 July 2011, a suggestion offered by many respondents is to "effectively implement the blocking of financial flows between illegal operators and consumers". In fact, the legislative system provides for "an obligation on the part of banking institutions that receive the payment of winnings to request the identification of the payer and the parties who made the bet". According to those interviewed in this study, "today the law in question has not yet been implemented but there is no discussion on the matter". "There is a need to broaden somewhat the range of collaborations, including against risks and activities derived from M-F".

In 2014, moreover, there was a change in Italian law 401/89 which toughened penalties for sports fraud from the point of view of state justice and it is the opinion of respondents that this has "provided judicial police with greater investigative tools. For example, they can use wire taps and this undoubtedly increases the penetrative capacity of investigations, compared to the much more limited work of the sports prosecutors".

In summary it can be said that, despite there still being space for improvement in various aspects, on a national level Italy is equipped with a structure and tools – observers, central department, information unit, investigative unit, international relationships with Interpol and Europol – that not all foreign countries have. Particularly worthy of note is certainly the coordination system between the various actors involved in the fight against M-F (at present an institutional entity – the Customs and Excise Agency – identifies the data and shares them with others through the central office of sports betting information units, which has the responsibility of passing them on to the police on the one hand and the sports prosecutors on the other).

A POSSIBLE INTERPRETATION MODEL – THE “SLIPPERY SLOPE FRAMEWORK” – AND THE 5 “UNDERLYING PREVAILING PATTERNS”

M-F implies several factors determining at a varying extent the actual occurrence of the behaviour/event. More specifically, different interpretation models of the phenomenon will correspond to higher or lower relevance/weight attributed to various factors and, consequently, higher or lower relevance/weight attributed to certain measures as opposed to others.

The Slippery Slope Framework

To try to summarise and identify a forecasting model able to function both as a conceptual tool and as a tool to decide how to deal with the phenomenon of M-F, it can be useful to consider the theoretical models proposed for other criminal behaviours. Among these, the issue of tax evasion (and its converse, tax compliance) can be an interesting benchmark by virtue of similarities to the issues addressed herein. In fact, of the various theoretical contributions that have tried to frame the phenomenon of tax compliance from a psychosocial point of view, one of the newest and most original is the "Slippery Slope Framework" (hereinafter SSF) proposed by Kirchler and Hoelzl Wahl (2008).

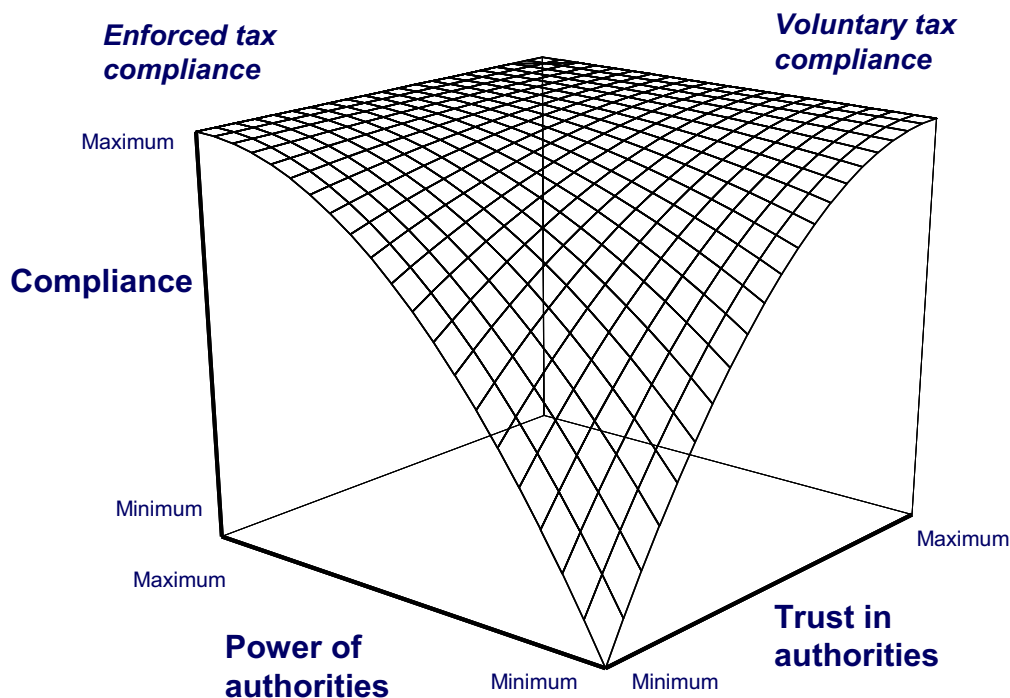
The model is particularly innovative as it tries to integrate traditional economic tenets, whereby tax-payers are perfectly rational, and able to decide whether to pay taxes based on cost/benefit reasoning (meant chiefly as likelihood of getting caught and paying the price for it), with principles advocated by psychology, which tend to focus on such "soft" elements as the subjective perception of fairness of the tax system or the trust for tax authorities and fellow tax-payers. So, according to SSF, with regard to the existing socio-cultural context, there are two possible different paths that can lead to tax compliance (or, conversely, to a behaviour of tax evasion/avoidance). In a "synergistic" social climate characterised by trust between citizens and authorities, with a "service-customer" approach taxpayers are intrinsically motivated to pay their taxes honestly and spontaneously. In this case the model assumes "voluntary" tax compliance behaviour in which trust is crucial. With high levels of trust in fiscal actors (institutions and taxpayers), the citizens perceive it to be their duty to contribute to the common good by paying their taxes. On the contrary, in an atmosphere of distrust and lack of mutual respect between taxpayers and institutions (an "antagonistic" climate), the crucial variable becomes the power of authorities to regulate and punish fiscal behaviour. In the latter case, compliance with fiscal rules is promoted by extrinsic motivations like fines and penalties, taking shape as a qualitatively different kind of tax compliance ("enforced tax compliance").

According to the model, therefore, institutions have an opportunity to promote a higher level of tax compliance in two ways, by increasing the trust of citizens or strengthening their sanctioning power, in the first case achieving

higher levels of "voluntary tax compliance", while in the second through a higher degree of "enforced tax compliance".

Figure 1 summarises the main assumptions of the model, also showing the complex mutual relations among its constituent elements: trust, power and two different forms of tax compliance. Both a high level of power and a high level of trust would then be able to promote greater tax fairness, with the difference that in the first case it would be imposed, in the second voluntary. Conversely, low levels of both dimensions would lead to more frequent misconduct by taxpayers. Finally, according to the model, variations in one dimension would affect the other. For example, tax authorities with insufficient power to fight tax evasion can be perceived with less trust, thus leading taxpayers to lower levels of tax compliance – hence the name of the theoretical model.

FIGURE 10 – THE SLIPPERY SLOPE MODEL (SOURCE: KIRCHLER, 2007)



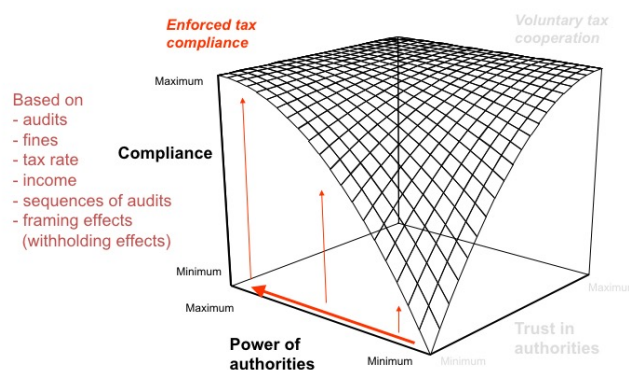
The model was tested empirically in several studies, both experimental and through surveys, which confirmed the influence of power and trust variables on the two different types of tax compliance (Kirchler & Wahl, 2010; Muehlbacher & Kirchler, 2010; Wahl, Kastlunger, & Kirchler, 2010) and recently an econometric formalisation was also proposed (Prinz, Muehlbacher and Kirchler, 2011). Finally, studies by Kastlunger, Kirchler, Lozza and Schabmann (2013) and Lozza, Kastlunger, Tagliabue and Kirchler (2013) have confirmed the applicability of the model to the Italian setting.

The model proposed has a double value. On the one side it can be used as a conceptual tool, that is, to interpret the determinants of fiscal conduct as detected by basic research in the light of power and trust, in order to better understand the at times ambiguous effects. On the other, the model can be used as an operational tool to single out the most effective strategies to regulate the relation between tax-payers and authorities. For example, the

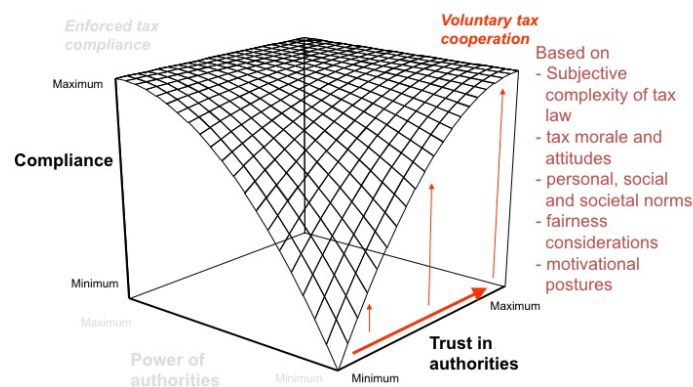
probability of receiving a tax audit and penalties for non-compliance could be an indicator of power. But if trust is high, the impact of the probability of control would be reduced. Sanctions that are too low communicate a perception of weak authority, and this may reduce trust in the institutions. On the other hand, inappropriate or excessively heavy sanctions, perceived as a manifestation of arbitrary power, would favour a decline in trust. In summary, the model lends itself well to making strategic choices in view of the objective (tax compliance). Now let's see if and how the same pattern can be an equally useful tool – both conceptually and operationally – for strategies for countering the M-F phenomenon.

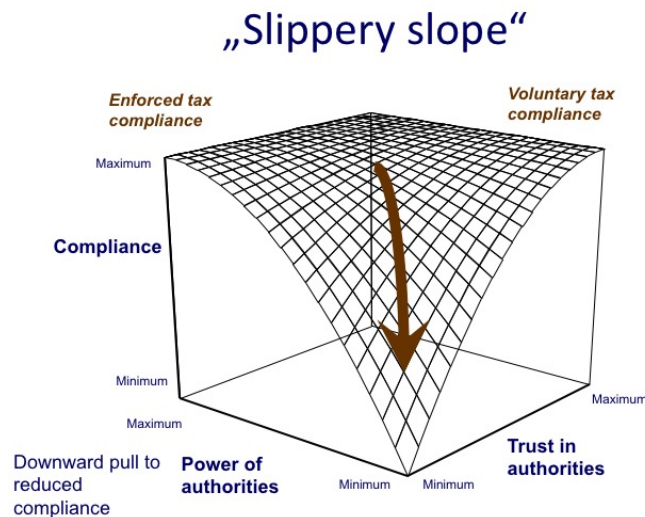
Slippery-Slope-Framework of Tax Compliance

- **Note: coercive power vs legitimate power (=efficacy) (Kastlunger et al., 2013)**



Slippery-Slope-Framework of Tax Compliance





Applying the SSF to Match-Fixing

The two sides of the SSF just described for taxation can be easily applied to M-F as a “repressive dimension” (corresponding to the power of the authorities) and a “preventive dimension” (in lieu of trust in tax authorities). Starting from this theoretical framework, it is easy to systematise along the two dimensions despite the different and heterogeneous elements seen so far in the present report.

For example, the repressive side may be associated with the perception of the ability to discover and punish M-F phenomena. In this regard, it is evident that the factors observed by Declan Hill (2009) can well fit along this side of the model: the penalties, the possibility of being discovered, but also the trade-off between resources committed and revenues obtained appear easily associable with the repressive side. Similarly, all the observed financial and contextual factors like the opportunities of fixing a result, different for each sport, fit easily in this area. It can also be assumed that the financial situations of the athletes and referees, as well as the possibility of communication between the authorities, contribute to the perception of repressive power and therefore can help to discourage the phenomenon in these terms.

On the other hand, the “preventive” side can be easily associated with all the identified psychological factors, both in terms of personality structures and appetite for risk, and in terms of perceived insecurity with regard to one's professional situation. In the same way, all cultural factors and social norms, both at a local level (e.g., single sports club) and at regional or national level, can help contribute to building preventive defences against the M-F phenomenon.

More generally, the model assumes that in a given social context (*micro*: a sports club, a federation, etc., or *macro*: a country), the climate, defined as a subjective perception of the mix of repressive power and trust in ethical and social rules (preventive side), can be of two types: antagonistic or synergistic.

- **Antagonistic climate** – authorities and social parties (individual athletes, sports clubs, but also bettors) work against each other, playing their respective roles of “guards” and “thieves”. The dynamic is simple:

the authorities perceive the social parties to be "thieves", seeking whenever possible to maximise their profits at the expense of good sportsmanship. Consequently they must continuously be kept under control. In turn, the social parties feel persecuted by the authorities, perceived as "guards", and believe it proper to hide and take advantage of every profitable opportunity. In this type of setting there is little respect for authority and its role, and people are not very likely to willingly choose to act fairly.

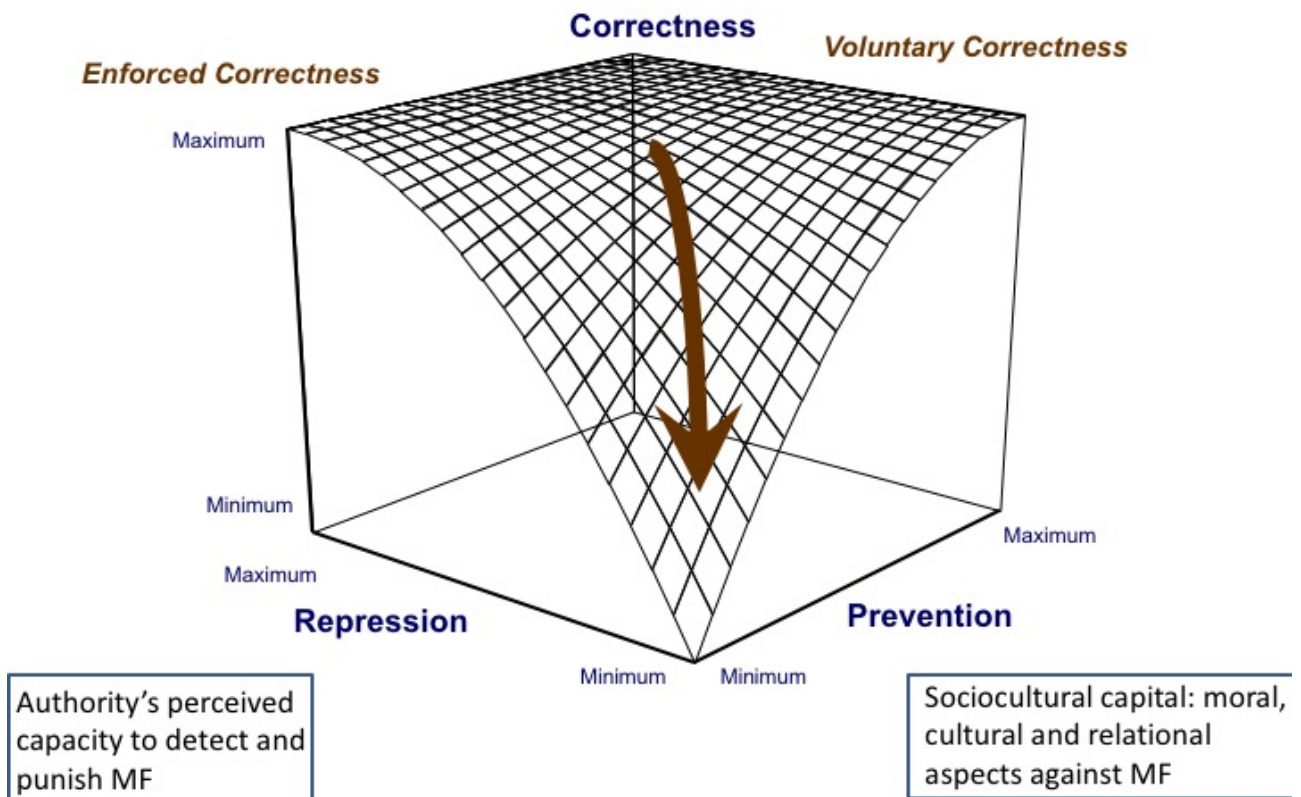
- **Synergistic climate** – based on the idea whereby authority provides a service to the community, with respect and support for the social subject, thanks to shared social norms and sports culture ("preventive" element). This ambience makes it very likely for people to refuse match-fixing spontaneously.

To this end, it should be reminded that the two fundamental dimensions able to affect compliance act complementarily. Both high repressive levels and high preventive levels would be sufficient to ensure more compliance, the difference being that in the former case it would be imposed, in the latter voluntary. Moreover, according to the model changes in one dimension would affect the level of the other, thus forming a three-dimensional balance as the one in the figure. More precisely, changes on the preventive side would affect compliance only with low levels of perceived power, just like any changes to the repressive dimension could impact on compliance only in presence of low levels of compliance with social and cultural norms. In other words, if the level of power is at its highest, authorities can impose maximum compliance, regardless of the level of trust. After all, if trust is at its highest, authorities do not need to carry their weight, since people comply voluntarily with the law.

ANALYSIS NOTES

This model, regardless of all risks of oversimplification, may be a useful conceptual tool to better understand the antecedents of M-F as a phenomenon and their interaction patterns, but also an effective operational tool to detect the most appropriate intervention measures given the shared diagnosis of the situation at the very outset.

Slippery-Slope-Framework of Match-fixing

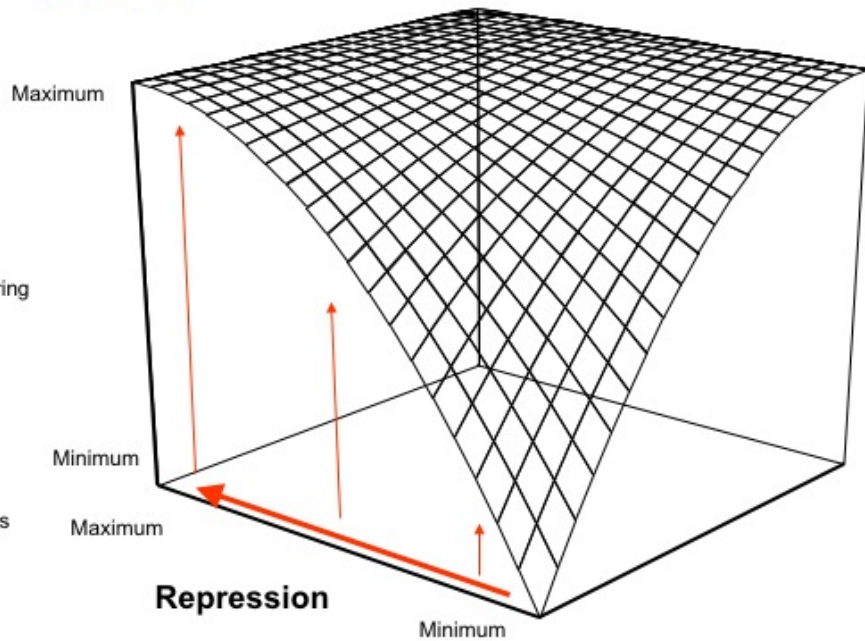


Slippery-Slope-Framework of Match-fixing:
a) The rational (repressive) side

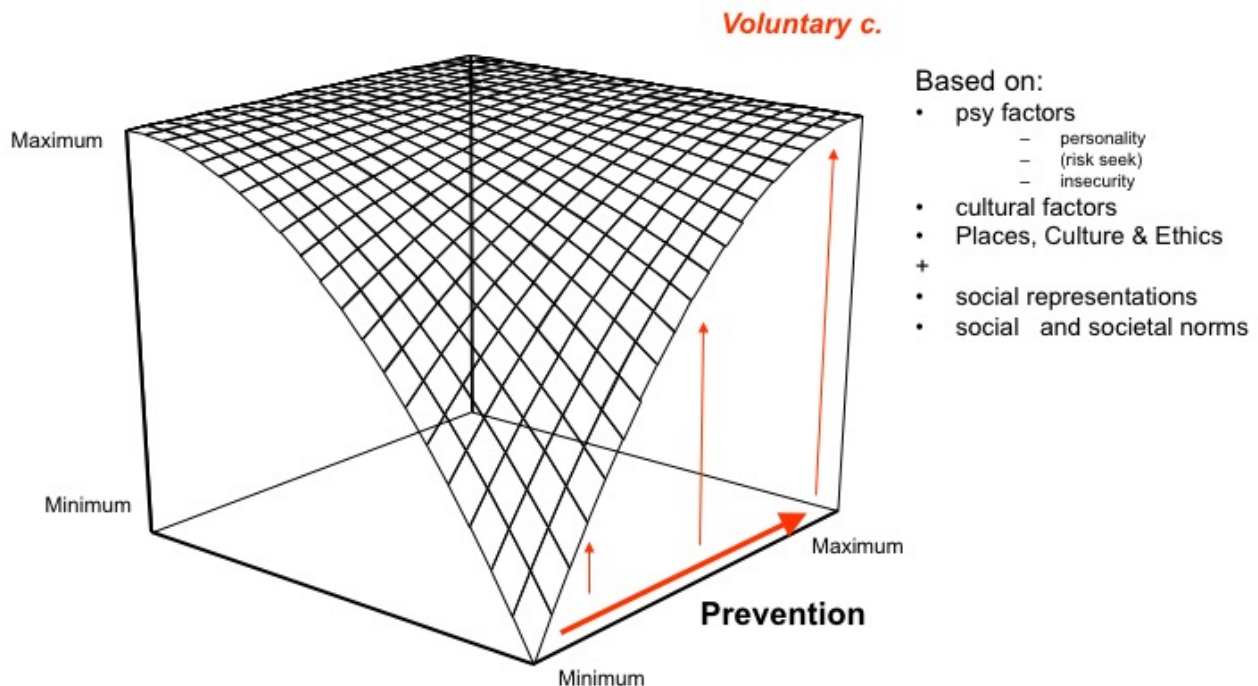
Enforced c.

Based on

- (Declan Hill, (2009)):
 - Prize / resource spent
 - Likelihood of discovery
 - Sanctions
- +
- Economic factors + money-laundering
- Contextual factors
 - Opportunities (e.g. different sports)
 - Likelihood of discovery
 - Sanctions
- +
- Income
- Prizes and referees
- Communication between authorities



Slippery-Slope-Framework of Match-fixing:
a) The cultural (psychosocial) side



The 5 Underlying Prevailing Patterns

M-F as a phenomenon may be approached by prioritising certain internal (and sometimes subconscious) characterisations. During this analysis we detected some both in literature and in our interviews, which are summarised below.

“Individuals are irrational”: M-F hinges on emotional components, the specific story and the situation (frailty – addiction – impulse).

Individuals are complex, multi-layered subjects whose behaviours are not always rational and predictable. Individuals are also historically defined and specific subjects.

Elements such as risk-appetite of single individuals or, for the sake of argument, an athlete having financial difficulties, do matter.

The range of measures here is particularly broad, moving from psychology and education based interventions (counselling, training) to harder measures, such as the need for ensuring correct remuneration to all players. An

interdisciplinary approach is therefore central, as it would be more complicated to believe that general measures could fit all purposes.

"The individual is homo oeconomicus": when it comes to M-F, financial interests and personal benefit are central

Ultimately individuals, also and mainly with respect to risky and illegal behaviour, are subjects who calculate threats and opportunities, advantages and disadvantages, risk and benefits.

Indeed, "risky" behaviour is disadvantageous and therefore the match fixing behaviour is chiefly due to a cognitive deficit that may be overcome with suitable education (see broad-reaching media campaigns, but also traditional training initiatives).

Besides training and information initiatives, other elements as accountability (hence, efficient investigative and criminal systems) can act as deterrent, by increasing the level of "disadvantage" and risk connected with match-fixing. The same goes for such measures as placing a cap to betting wins, as it would reduce the extent of the potential "advantage". Mathematical and probability computation systems do work.

"Individuals and groups are cultural parties": M-F thrives in a given context and culture

The collective dimension (group, nation, culture of origin, territory, history, etc.) prevails over single individuals. Indeed, "fairness" is traditional of peoples and their culture, and is most common in some communities instead of others.

The approach must be interdisciplinary and capable of considering the problem in its complexity: M-F cannot be reduced to a single component or factor; all factors and components must be kept into account, and especially those with higher collective value.

The right measures are those that are capable of accounting for this complexity and depth, such as the use of cases, good practices, educational tools, but also such stricter disciplines and systems as sociology, criminology, behaviourism.

Therefore it is essential to exchange and share information, theories and training and apply them to existing working groups, practices, models (platforms).

"Organisations like people can deviate": M-F is first and foremost an organisational pathology affecting specific sectors and organisations

M-F affects different organisations in different ways; some are more resilient or resistant than others; the metaphor here is that of a "disease" and its "therapy" or "treatment".

An organisation in its various components and dimensions (people, processes, rules, procedures, technologies, culture, etc.).

As a disease, M-F can be treated or effectively tackled by strengthening the immune system. Such measures as transparency, accountability, CSR, monitoring systems and internal reporting, information exchange and good practices, are all potentially curative or preventive therapies, as well as traditional governance and organisational design.

"The system is the key": M-F is a systemic problem (sport and betting industries) and must be dealt with as such

The system dimension prevails over individuals and organisations. If a system is corrupt or exposed/weak, individuals resist to no avail.

The regulatory (absence/presence of general or specific rules on corruption and M-F), economic (globalisation of flows) and technology dimension.

Measures operating at systemic level are needed, such as: national and international regulations, platforms, cross-sectoral tables, agencies. When it comes to big numbers, probability computation systems do work.

In summary

Each of the Underlying Prevailing Patterns can be applied either to the "preventive" or "repressive" paradigms identified with the SSF and potentially touch all the elements involved in the two models.

Obviously the higher the number of patterns to "keep into account" and apply to both SSF axes, the sharper the view on the situation and the more effective and consistent the ensuing action. Indeed, the prerequisite is that both axes and patterns be "correct and necessary" and at the same time "insufficient"; this means that without bearing in mind of interconnections, every pattern risks to "self-invalidate".

CONCLUSIONS

What emerged – even though empirical research is still poor under certain respects and in delving deep into some issues – is without a doubt the huge wealth of experiences and remarks that should be made the most of in order to effectively and consistently tackle M-F.

What are the outcomes, then?

Given the colossal economic interests, sport cannot be regarded as just a game, therefore the “rules of the game” no longer apply.

This is the key point in policy: sport is a real market that also includes athletes (the practice of sport is professional). So athletes are actors in the “sports financial sector”, they are actors in a market. This has immense repercussions for countering M-F, and all involved must be briefed starting from this premise: M-F proliferates because the sports market is not yet considered such – rather it is still regarded as a place where actors act based on disinterested drivers – and so it is not yet properly adjusted. Nevertheless, both general culture (which has not understood and “metabolised”) and profiteers (those who are after their own agenda) still describe sport as a purely “no profit” business.

The position held by the actors is predominantly of an enforcing nature (with the exception of law and forces agencies); nevertheless, one needs first and foremost the understanding and a complex articulation of this phenomenon.

There is a clear need for a synergistic and shared vision because today most actors look at this phenomenon almost entirely from a personal standpoint and perspective, at the cost of looking at the problem with a strictly monocular vision. SIF stands as a tool instrumental to moving in this direction, towards a common action that today is not complete yet.

A new element emerging (though not clearly from the interpretation models) concerns the existence of a whole supply chain connected with M-F that starts from the grass-root and moves on to minor leagues and finally major leagues.

The mechanism leading to major sports is fragile; nevertheless there is no clear systematisation of the mechanism by which operates this supply chain that, also with respect to M-F, would be a precious source of information and, if properly handled, an effective preventive tool. Within this complex perspective, it is crucial to train not only the actors in the sport industry, but also those who work in terms of countering and preventing the problem

Moving on what we really need is a coordinated and integrated view of the phenomenon. Labelling things helps to define clear mid and long term objectives, hence attain higher efficacy in the actions deployed and the capacity to go back and monitor the situation as it unfolds.

In summary, one must take a clear position with respect to the model and pattern, given that more elements are held together the better it is, and because making the analysis complexity allows acting in a simpler, clearer and more effective way.