

# Globalization and the Beautiful Game

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Cambridge – How does globalization reshape wealth and opportunity around the world? Is it mainly a force for good, enabling poor nations to lift themselves up from poverty by taking part in global markets? Or does it create vast opportunities only for a small minority?

To answer these questions, look no farther than soccer. Ever since European clubs loosened restrictions on the number of foreign players, the game has become truly global. African players, in particular, have become ubiquitous, supplementing the usual retinue of Brazilians and Argentines. Indeed, the foreign presence in soccer surpasses anything that we see in other areas of international commerce.

Arsenal, which currently leads the English Premier League, fields 11 starters who typically do not include a single British player. Indeed, all the English players for the four English clubs that recently advanced to the final 8 of the UEFA Champions' League would hardly be enough to field a single team.

There is little doubt that foreign players enhance the quality of play in the European club championships. Europe's soccer scene would not be half as exciting without strikers such as Cote d'Ivoire's Didier Drogba (Chelsea) or Cameroon's Samuel Eto'o (Barcelona). The benefits to African talent are easy to see, too. African players are able to earn much more money by marketing their skills in Europe – not just the top clubs in the Premiership or the Spanish Primera Liga, but the countless *nouveau-riche* clubs in Russia, Ukraine, or Turkey.

To be sure, soccer players' international mobility has increased the earnings gap between stars such as Drogba and Eto'o and their compatriots back home. This is part and parcel of globalization: enhanced global economic opportunities lead to wider disparities between those who have the skill or luck to take advantage of them and those who do not. This kind of inequality is not necessarily a bad thing. It makes some people better off without making others worse off.

But soccer enthusiasts care about country as well as club, and here the consequences of the global mobility of talent are not as straightforward. Many fear that the quality of *national* teams is harmed by



## Dani Rodrik

Dani Rodrik is Professor of International Political Economy at Harvard University's Kennedy School of Government and a leading scholar of globalization and economic development. His most recent book is *The Globalization Paradox: Democracy and the Future of the World Economy*.

the availability of foreign players. Why invest in developing local talent if you can hire it from abroad?

England once again provides an apt illustration. Many blame the country's failure to qualify for this summer's European championship on the preponderance of foreign players in English club teams. There is also a broader backlash under way. Sepp Blatter, the president of FIFA, soccer's global governing body, has been pushing a plan to limit to five the number of foreign players that club teams would be allowed to have on the field.

The impact of soccer globalization on African countries appears to be just the opposite. On the one hand, it has increased the quality of many African national teams relative to European national teams, with countries such as Cameroon and Cote d'Ivoire now fielding teams that include some of the top players in European clubs. On the other hand, globalization probably has reduced the quality of Africa's domestic leagues relative to European leagues.

If you are a resident of Yaoundé, the decline in the quality of domestic play may not be a big deal if you can afford a cable connection that allows you to tune in to the English Premier League. But otherwise, you are entitled to feel that globalization has left you out in the cold.

The 2008 Africa Cup of Nations, held in Ghana during January and February, revealed the two-way interdependence that soccer globalization has created. Many European clubs were left without their star players, who were recalled to national-team duty. For their part, African players grumbled that their absence from Europe reduced their commercial opportunities during a crucial period of league play.

But the most important lesson revealed by the Africa Cup is that successful nations are those that combine globalization's opportunities with strong domestic foundations. For the winner of the cup was not Cameroon or Cote d'Ivoire or any of the other African teams loaded with star players from European leagues, but Egypt, which fielded only four players (out of 23) who play in Europe.

By contrast, Cameroon, which Egypt defeated in the final, featured just a single player from a domestic club, and 20 from European clubs. Few Egyptian players would have been familiar to Europeans who watched that game, but Egypt played much better and deserved to win. Nor was it a fluke: Egypt is consistently the most successful national team in the Africa Cup tournament, winning it five times previously.

The lesson is not that embracing globalized soccer is a bad thing. If that were the key to Egypt's success, Sudan, which has no players in Europe, would have done well. Instead, Sudan (along with Benin) was the tournament's least successful team, losing all three games that it played.

The real lesson is that taking full advantage of globalization requires developing domestic capabilities along with international links. What makes the difference for Egypt is that it has a strong domestic league, which fosters depth of talent and coherence as a national team.

So it is with globalization's champions in other arenas. What sets apart the Chinas and Indias of this world is not that they have laid themselves bare to the forces of globalization, but that they have used those forces to enhance their domestic capacities. The benefits of globalization come to those who do their homework.

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