Introduction

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Although for sports economics the pioneering articles appeared in the second half of the twentieth century (Rottenberg, 1956; Neale, 1964), it has only been in the last thirty years that it has really become a branch of the field of economics. In addition, economic research today no longer hesitates to use sports data to test its hypotheses in many fields (Palacio-Huerta, 2023).

The seminal texts on the economics of sport took up three subjects, which were dealt with in the US context—the nature of the sporting product and the demand for it, the uncertainty of the outcome and a competitive balance, and the labor market for professional players and the division of team sports into leagues (Noll, 2006; Sloane, 2006). Since then, the subjects covered have broadened out considerably (Andreff, 2022): impact analysis, doping, individual and collective performances, discrimination, sports betting, and decision-making. The relationship between finance and sports (ownership structures, legal status) and the modes for financing sporting activities (ticket sales, subsidies, commercial income, TV rights) began to be addressed in the 1990s (Andreff et al., 1994; Andreff and Staudohar, 2000), and primarily on the European side of the Atlantic.

There will be a particular focus on sports economics and its finances in France in 2024 as it hosts the Summer Olympics and the Paralympics. That is the subject of this special issue. The first section of this issue presents specific themes that tie finance and sports together and that draw attention to its financialization, while the second section focuses on issues linked to the Olympics and Olympism. The third section is devoted to the most financially important sport, football, and the final section to the financing of other disciplines: ice hockey, cycling, golf, and tennis.

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In the first section, W. Andreff shows how sports organizations and authorities, which benefit from a monopoly situation (monopsony), as well as certain market players (superstars), take advantage of this situation to obtain the greatest funding possible by auctioning what they offer (or demand) on the market (organization of the Olympic Games, location of a US franchise, sale of TV rights, purchase of a superstar).

"Cryptocurrencies" (or rather "cryptoassets") are becoming increasingly relevant to the world of sport in general, and to football in particular. Many first became aware of this new reality when Lionel Messi was transferred from FC Barcelona to Paris Saint-Germain in 2021. The Argentinian star had negotiated with the club to receive part of his salary in "fan tokens". M. Llorca examines the swift growth of cryptoassets in professional sports (NBA, Formula 1, football) through a variety of vehicles—digital crypto exchange platforms, issuance of fungible and non-fungible tokens, payment of athlete salaries and bonuses in crypto money, and sponsorship. While sports benefited from that market's euphoric period in 2020-21, it has also suffered from the many threats posed by the "crypto winter" of 2022, marked by the retreat of numerous platforms.

During the 2020 summer football transfer market, Juventus FC and FC Barcelona traded Miralem Pjanic and Arthur Melo. The Catalans spent around €70 million for a 30-year-old player, while the Italians shelled out approximately €80 million for the Brazilian. The football world was taken aback by these sums. In fact, this transaction enabled both clubs, which were in delicate financial situations, to reap a capital gain of around 60 million euros thanks to the possibility, for accounting purposes, of paying for the transfer over several years, while immediately realizing the cash inflow from the player sold. Players, who are often the clubs' main assets, are thus subject to practices borrowed from the finance sector, based on the economic value of players. JF. Brocard and J. Bastien analyze this convergence of football and the finance sector, which has accompanied the economic growth of professional football over the last 30 years, and compare the football player to a financial product.

The first two articles in the second section of this issue are devoted to the money generated by the Olympic Games. But since money doesn't always lead to happiness, a third article examines to what extent this event produces well-being among the population.

H. Preuss begins by focusing on the finances of the Olympic Games and how these funds are redistributed. The Olympic Movement, which comprises the majority of the world's sports organizations, is mainly financed by the International Olympic Committee (IOC), which redistributes 90% of Olympic Game revenues. This Movement is therefore a major financial contributor to world sports. The economy of the Olympic Games also concerns the Organizing

Committees, which manage other income. Altogether, the four-year financial report for the previous Olympiad (2017-2021) shows sales of $11 billion.

R. Baade and V. Matheson's article on the economic impact of the Olympic Games echoes W. Andreff on the “winner's curse”. Indeed, most ex-post impact analyses show that for the organizing countries, the Olympic Games are rarely financially “profitable” (in terms of economic growth and employment), either in the short or long term (“the legacy”). This usually negative return doubtlessly explains cities’ waning interest in hosting the Games.

The last text in this section nevertheless demonstrates that “the baby shouldn’t be thrown out with the bathwater”. Economics, which is more than just the study of money, has for some time now been interested in measuring “happiness”. Rather than looking for financial motivations for the organization of the Olympic Games, D. Mavridis and C. Senik explore their impact on people's happiness. They show that during the London Olympics, between the opening and closing ceremonies (July 27 to August 12, 2012), happiness increased significantly in London, even more than in Paris and Berlin. However, this effect was short-lived, because it evaporated in September. The two authors don't stop there. They propose a monetary evaluation of this surplus satisfaction, which nevertheless remains below the actual cost of the event.

The football economy has been one of the most prosperous in the sporting world over the last 30 years, especially in Europe. Today it is experiencing a number of disruptions: increasing inequalities between leagues and between clubs; the arrival of new investors, in particular sovereign wealth funds (from the Gulf States) and investment funds (mostly US); and the arrival of new television broadcasters. The third section looks at football today by taking up several subjects—the history of how the World Cup has been financed, the changing incentives to own a football club, the rapid growth of multi-club ownership, changes in Financial Fair Play rules and, finally, the professionalization of lower-level leagues.

“Football is a big business.” This declaration, which the medias have made into an axiom to characterize modern football, was first written in 1905 by the founder of the Football League (created in 1888), William McGregor, a Scottish textile manufacturer and the first chairman of the Aston Villa Football Club (founded in 1874). In fact, the player transfers whose prices generate headlines today have existed since the game was invented: in 1893, the Scotsman Willie Groves was transferred from West Bromwich Albion to Aston Villa for one hundred pounds (around £10,000 in 2022), a record at the time. In his contribution, P. Dietschy debunks the myth that there was a golden age of soccer free from financial imperatives. To do so, he draws on numerous historical examples that appear to prove the contrary, starting with the Football Association's acceptance of professional players and the beginnings of the World Cup.

In professional football, the legal status of clubs has changed, ultimately resulting in the joint-stock company, which has changed the incentives to become a club owner. B. Drut recounts these changes, beginning buying into the capital of clubs by manufacturers, then businessmen, then billionaires, countries, sovereign wealth funds, private equity funds, the listing of clubs on the stock exchange and, finally, multi-club ownership, which is the subject of the article by L. Arrondel and R. Duhautois. In football, multi-club ownership *(*MCO) is a fairly recent phenomenon, dating back to the late 1990s, but one that seems to be gaining ground in the game today. Economically, this development is in line with the logic of corporate mergers and acquisitions, a common practice in a market economy. From a sporting point of view, this practice poses obvious problems of conflict of interest if two teams belonging to the same MCO meet up in the same competition.

Is financial fair play (FPF), which was introduced by the UEFA (Union of European Football Associations), fair? N. Scelles proposes a methodology to test this hypothesis in the case of Real Madrid. The question is: did Real's "unfair" pre-FPF revenue contribute to its recent sporting victories? The results suggest that this has not been the case and tend to argue that FPF is indeed fair. Further exploring this theme, N. Dermit and A. François compare the financial regulation of professional football in France (by the National Directorate of Management Control (DNCG)) with the system in Europe run by the UEFA. The replacement in 2022 of FPF with a financial viability system brought it closer to the French system of regulation: both are converging towards introducing loose budget constraints for clubs, while they adopt the goal of ensuring clubs are financially viable and provide for explicit total club salary caps.

The pyramid system of leagues, with promotion and relegation based on ranking, raises questions about the optimum format for championships—the number of professional leagues, number of teams per division, number of relegations. The question is all the more important given the "external constraint" of European tournaments. Moreover, the financial difficulties of clubs, including their possible bankruptcy, can mainly be ascribed to their relegation to a lower level, which implies that they risk losing their professional status. Indeed, the French national championship is a "hybrid" competition, including clubs that temporarily retain their professional status as well as amateur clubs. Given this context, J.-P. Gayant and F. Rolland discuss the pros and cons of having the third tier of French football go professional.

But there's more to sports than just football. The last part of this issue thus takes up the economics of other sports.

Marc Lavoie describes the development of the North American National Hockey League, which is made up of US and Canadian teams, over the past 30 years. That period has been marked by conflictual labor relations with the professional players association (union), a strike, and three lockouts. The lockouts were instigated by team owners experiencing financial difficulties and were aimed at adopting new rules, whose goal was to curb rapid payroll expansion.

To take part in cycling races, professional riders must belong to a team. D. Van Reeth focuses on the finances of these cycling teams. The budgets of professional road cycling teams have increased considerably over the last twenty years. The article analyzes in detail a cycling team's expenses (e.g. rider salaries, logistics) and sources of income (e.g. sponsorship, prizes).

Unlike football, which has long been debating the advisability and possibility of creating a European "Super League", golf saw the emergence in 2022 of a restricted commercial league (LIV) at the international level that was competing with the traditional league (the PGA Tour). P. Bouvet describes how this development led to the merger of the two leagues in 2023, how this new body is structured, how it is financed (in part by Saudi Arabia), which players participate, and how they are compensated. A dual flow model explains how the value created is harnessed and distributed according to the different systems of the PGA and LIV.

The tennis business model, presented by E. Barget and P. Autier, is relatively original. The major tournaments play a central role in financing the international federation and some national federations, such as the FFT in France. Prestigious and profitable, these tournaments sustain the finances of regional leagues and departmental committees, whose clubs are in more tenuous financial situations. With the exception of Grand Slam tournaments, for which television rights and ticketing revenues are significant, the economic model is mainly based on public relations and partnerships.

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