Migration and national team competitions – BIG-5 as profiteers?

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Aim of abstract/paper - research question

Since 1995, an ongoing liberalisation process can be watched in the European football labour market. This was mainly caused by the widely cited Bosman judgement and the resulting elimination of player restrictions. Consequently, a massive upsurge in player trade volume was created. The vast migrant stream is subject to specific patterns, chiefly the talent drain from smaller countries in direction of the financially strong BIG 5 leagues. The study will address the question whether this migrant flows have affected national team competitions and, if so, which countries mainly benefit of that development.

Literature review

Up to the present time, football migration issues have primarily attracted interest in scientific discourse in terms of competitive balance, in particular the related invariance principle. Furthermore, this subject was academically discussed to a smaller extent in relation to carry-over effects and externalities for national teams (Allen & Moffat, 2014; Berlinschi, Schokkaert & Swinnen, 2013; Miyazaki, 2013). These papers mainly focussed on spillover effects from local to migrated players representing positive externalities through know-how transfers. Since the production factor player is allocated in both leagues and national teams, small exporting countries may benefit from migrated players in form of more skilled player resources for their national teams. Accordingly, it can be expected, that an enlargement of player migration has led to a greater competitive balance between national team strengths and catch-up processes of national teams from exporting countries (Frick, 2009; Milanovic, 2005).

In a like manner, the influx of players into wealthy leagues was posed as a potential problem for talent systems of importing countries, in particular the BIG-5 (Berthold & Neumann, 2005). This is due to the so-called "bottleneck-hypothesis", a lack of vacancies for young local players in team squads and stated negative consequences for their development. As a result, national teams of corresponding import leagues would lose competitiveness.

Methodology and data analysis

More than 20 years after the entry into force of the Bosman ruling, bottleneck- and catch-up- effects would have bring to bear. Although this may be true, the national teams of BIG-5 countries have managed to win 4 out of 5 possible major titles in world and European championships since 1995. Seeing that, the present study should carry out the statistical significance of migration and bottleneck-effects based on BIG-5 international matches (n= 4.183).

In fact, contrary effects can be shown by interference statistics for BIG-5 national teams, rejecting bottleneck problems and catch-up processes. Thus, win ratios of BIG-5 countries significantly raised from 0.6659 between 1975 and 1995 to 0,7178 between 1996 and 2015 (p=0.001). To get a deeper understanding, a second methodology is applied in this controversy in order to take into account the quality criteria of football statistics. For this reason, weighted football results and the quality of equivalent talent cohorts as the presumable strongest predictor of national team success, were included in a lag regression model. However, by using ELO-values and winning ratios of junior national teams, the model is able to show significant time trends of better BIG-5 scorings, challenging bottleneck- and catch-up- theories. That is to say, a Bosman dummy variable increases the weighted ELO-values of BIG-5 national teams by β =0.14 (p=0.04).

Results, discussion and implications/conclusions

All things considered, the results contribute to a new idea of the interaction between national team and league labour markets. In particular, the finding of apparently improved national team performances for big countries following migration expansion reveals a certain political sensitivity. Notably, the BIG-5 economic superiority creates a double "talent drain", as player exports seem to strengthen the competitiveness of both BIG-5 league teams and their respective national teams. The results would seem to indicate debatable balance developments in national team competitions besides the apparent polarisation problems in European club football. Hence, these results suggest several club management implications, particularly regarding the assembling of team squads. Moreover, policy interventions like fair-play programs and transfer restrictions can be discussed. On the contrary, instruments like quota regulations may be waived.

In summary, migrated workforce seems to be a perceptible advantage for the host society. This holds true for the sports business and may be transferred to a global perspective, which in turn would get additional relevance in the wake of the European refugee crisis.

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