

# **The Professionalization and Commercialization of Football in China (1993–2013)**

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## **Abstract**

The professionalization and commercialization of football in China began in 1993, followed in 1994 by the launch of a league system that was modelled on the systems of Western countries. With the support of the market, football began to become self-sufficient and no longer reliant on government support. State-owned football clubs were replaced by an increasing number of privately owned and collectively owned clubs. Athletes started to play football for their own sakes, pursuing fortune, honour and personal excellence. However, the reform did not touch the most fundamental part of the Chinese sport system as the football league authority was still under the tight control of the government. The Chinese Football Association (CFA), the governing body of the league, is not an independent governing body and, for a long time, football clubs were not involved in high-level policy and decision making.

The football league faced a crisis in the late 1990s and early 2000s, when a series of match fixing scandals turned football fans' passion into resentment. The Sports Ministry launched a package of new reforms in the mid-2000s in an attempt to fix the league's problems. These reforms included anti-gambling and anti-corruption campaigns and introduced a degree of power sharing between the clubs and the CFA. However, further structural changes to government and governance are required for the future of Chinese football.

**Keywords:** Football; Reform; Commercialization; Professionalization; China

China's domestic policy experienced a major change in 1992 when a national economic reform was initiated by Chinese Communist Party (CCP) leader Deng Xiaoping. On his South Patrol in February 1992, Deng urged the central and local governments to speed up economic reform at all levels of Chinese society. One year later, Deng's socialist market economy system gained official approval at the Third Plenary Session of the 14th Central Committee, which was held in Beijing in November 1993. Since then, the market economy has been replacing the planned economy and has pushed forward the transformation of Chinese society. The reform stimulated a major change in sport.

The elite sport system, which was based on the principles of the planned economy, was restructured by the Sports Ministry, driving the move toward the commercialization and professionalization of sport. The Sports Ministry held a conference in Zhongshan, Guangdong province, in November 1992 to discuss the reform in sport. At the conference, Wu Shaozu, then Sports Minister, pointed out that the major focus of the reform should be the transformation of the old sports system, which was based on a planned economy, towards a new system which would be based upon the new market economy – sport should not depend on government subsidies alone; it should also be supported by the market and become more self-reliant. Based on the propositions of the Zhongshan Conference, the Sports Ministry issued its “Suggestions on Moving Further Ahead in Sports Reformation” on 24 May 1993. It officially announced a market economy-oriented reform policy. In this decree, the Sports Ministry publicly advocated the commercialization of sport and the promotion of a sports industry. Sports Minister Wu Shaozhu claimed: “China's sport system must be reformed without delay. The objective of the reform is to commercialize sport and to integrate sport into people's daily lives. This includes people practising sports and leisure activities, privately sponsored sport, the club system and the promotion of a sports market.”<sup>1</sup>

## **Football – The Pioneer of the Reform**

Football was the pioneer of the reform in sport. The call for reform in football was provoked by the Chinese national football team's failure to qualify for the Barcelona Olympics at the men's Olympic qualifying tournament in Kuala Lumpur in January 1992. China's defeat by South Korea resulted in a widespread public discontent that culminated in China's President, Jiang Zeming, contacting Sports Minister Wu Shaozu to advise him to face the failure and produce a long-term plan for Chinese football.<sup>2</sup>

A few months later, the Chinese Football Association (CFA) held a conference in the Red Mountain Valley (红山口) outside Beijing. Representatives from around the country attended the conference and discussed the reform of Chinese football. Some of the participants believed that the policy of commercialization and professionalization should guide the reform, while others supported the consolidation of the traditional state-sponsored elite sport system. Following a debate which took place between the two sides, Li Tieying, who was a member of the Political Bureau of the Chinese Communist Party (CCP) and in charge of sport at the central government, pointed out on behalf of the central government that the reform in football must be carried out without delay. He argued that football should be the pioneer of the Chinese sports reformation and that a league system should be established. According to Li's proposal, the CFA should be the main governing body of football. Football, he said, must follow the principles of the market economy and be able to generate sufficient funds to support itself.<sup>3</sup>

After the conference, a proposal for a new national football league, "Chinese Football Division One/Two Football League," was produced. Since the CFA did not have any experience of operating a commercialized and professionalized football league, it sent two delegations to Europe to learn about the league systems in Germany, Italy, the Netherlands and Denmark. During the visit, CFA officials studied the operating systems of professional leagues and youth leagues, and the different training programmes for coaches and referees.