



# UNIVERSITY OF CANBERRA

AUSTRALIA'S CAPITAL UNIVERSITY

## CRIME AND SPORT RESEARCH CONFERENCE 23 March 2012, 9.00am to 12.30pm Ann Harding Conference Centre Room 1, University of Canberra

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### PART 1: THREATS TO SPORT

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9.10 Catherine Ordway **Threats to sporting integrity: doping, match-fixing and corruption** (20 mins)

In June 2010, the International Olympic Committee President, Jacque Rogge, said that:

*“cheating driven by betting is undoubtedly the biggest threat to sport after doping”<sup>1</sup>*

Many of you will be very familiar with the international anti-doping framework, and the time, money and global cooperation that has gone into developing a harmonised program centering on the UNESCO Convention, and the World Anti-Doping Code<sup>1</sup> since doping was first prohibited in the 1960s. So in saying that match fixing is a threat comparable to doping, you know that Rogge is serious about what the Olympic Movement sees as an enormous threat to their brand, and to the culture of sport itself.

Exactly twelve months after the IOC issued its recommendations,<sup>2</sup> Australia set out its response to that threat by the State, Territory and the Federal Sports Ministers jointly launching the “National Policy of Match-Fixing in Sport”.<sup>3ii</sup> The Australian response in addressing “match-fixing” highlights that corruption in sport is much broader than merely: “cheating driven by betting” (which is the way Rogge initially phrased it). The IOC recommendation in June 2010 in stated that all: “public authorities (national and regional governments) . . . [should] contribute to preserving the integrity of sport and to the fight against corruption in sport”, which is extremely broad.<sup>4</sup>

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<sup>1</sup> Quote from Jacque Rogge – 24 June 2010 –<http://www.olympic.org/news?articleid=92584> [accessed 21 March 2012]

<sup>2</sup> Recommendations for the IOC Seminar “Sports Betting: A Challenge to be Faced”, 24 June 2010

<sup>3</sup> Agreed by Australian Governments on 10 June 2011

<sup>4</sup> [http://www.olympic.org/Documents/Conferences\\_Forums\\_and\\_Events/2010-06-24\\_Final\\_Recommendations\\_IOC\\_Seminar\\_Eng.pdf](http://www.olympic.org/Documents/Conferences_Forums_and_Events/2010-06-24_Final_Recommendations_IOC_Seminar_Eng.pdf)

Australia has not been that broad in attacking corruption in all its forms. “Match-fixing” in the National Policy is defined as:

- a) *The deliberate fixing of the result of a contest, or of an occurrence within the contest, or of a points spread;*
- b) *Deliberate underperformance;*
- c) *Withdrawal (tanking);*
- d) *An official’s deliberate misapplication of the rules of the contest;*
- e) *Interference with the play or playing surfaces by venue staff; and*
- f) *Abuse of insider information to support a bet placed by any of the above or placed by a gambler who has recruited such people to manipulate an outcome or contingency.*

As this definition suggests, there are many situations where match-fixing is not always related to betting: such as deliberately losing a ‘dead rubber’ in order to ensure a rival team is relegated to a lower division. That kind of cheating was first identified in football in 1915 (in a Manchester United v Liverpool game if anyone is interested!<sup>5</sup>).

I believe that we need to focus on stamping out corruption in sport in all its forms, and not just limit ourselves to “match-fixing” as we have defined here.

“Corruption” is defined by Transparency International as: “the abuse of entrusted power for private gain”.<sup>6</sup> As suggested in this definition, where power is “entrusted”, corruption involves a betrayal of trust.<sup>7</sup> In the law enforcement setting, the definition of corruption used by the Office of Police Integrity in Victoria for example, clarifies that while corruption is usually motivated by self-interest, an action does not have to result in personal profit to be considered corrupt.<sup>8</sup>

Corruption has historically been identified as a risk to public confidence in government administration. In the sporting context, you can think of this as the betrayal of the public’s

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<sup>5</sup> See for example: <http://soccerlens.com/match-fixing/19459/>

<sup>6</sup> TI (Transparency International) (2004) *Annual Report*, TI, Berlin, [http://www.transparency.org/publications/publications/annual\\_reports/annual\\_report\\_2004](http://www.transparency.org/publications/publications/annual_reports/annual_report_2004), last accessed 7 June 2009, p2

<sup>7</sup> Rose-Ackerman (2001) examines types of trust, and states that: “the development of legitimate, well-functioning governments and markets requires one-sided trust in public institutions.” (p2)

<sup>88</sup> OPI (Office of Police Integrity) (2009), “Misconduct and Corruption: Information for Victoria Police”, *OPI Fact Sheet*, <http://www.opi.vic.gov.au/index.php?i=24&m=14&t=1>, last accessed 7 June 2009

trust: to use Transparency International's concept of "trust", and the resulting lack of confidence in the sports organisations, including the results of any sporting performances, and the withdrawal of support for the athletes and the companies who sponsor them.

Transparency International, who describes themselves as: "the global coalition against corruption" has had quite a lot to say in recent years about corruption in sport. This has included drafting this Working Paper on "Corruption and Sport: Building Integrity and Preventing Abuses"<sup>iii</sup> and their very public criticism of FIFA (the international federation for football)<sup>9</sup> and to a lesser extent, international cricket, has been a useful and interesting intervention.<sup>10</sup>

You wouldn't be here unless, like me, you probably read the sports pages before any other part of the newspaper, so you will be very familiar with extraordinary allegations of fraud, match-fixing and corruption made against particular football matches and against the management and leadership of FIFA itself. Rather than spend more time on football, I wanted to illustrate my point about why allegations of corruption in sport broadly need to be addressed directly, rather than limiting ourselves to looking at breaches of the rules (such as doping and match-fixing), because I believe that those threats to sport, are merely symptomatic of bigger corruption and lack of transparency issues.

Let me give you an example in an international sport that you may not know much about - Olympic Handball. The organisation responsible for this sport globally, is the, not surprisingly named, International Handball Federation (the IHF). The current President is former Egyptian national team player, Dr. Hassan Moustafa. Dr Moustafa has been the President since 2000, and during that time there have been a number of disturbing cases finalised, and others still pending investigation.<sup>11</sup> If I can give you a rough chronology of incidents appearing in the media over the last 10 years, you can get an impression of the size of the problem:

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<sup>9</sup> Eg: "Safe Hands, Building Integrity and Transparency at FIFA", *Transparency International*, August 2011, [http://www.transparency.de/fileadmin/pdfs/Themen/Sport/FIFA\\_SafeHands.pdf](http://www.transparency.de/fileadmin/pdfs/Themen/Sport/FIFA_SafeHands.pdf)

<sup>10</sup> See Transparency International Australia's March 2012 newsletter: <http://www.transparency.org.au/newsletters/12%20Mar%20FINAL%20TIA%20Newsletter%20A4.pdf>

<sup>11</sup> For a summary see the presentation by Christer Ahl, "World Handball Hi-Jacked by its President: Structural problems, scandals and an urgent need for change", Presentation at 'Play the Game' Conference, Coventry, June 2009

- In 2003 – the IHF President is alleged to have become angry when doping control officers wanted to drug test the Egyptian handball team. The President is alleged to have removed half the team members' names from the team list prior to the list being provided to the doping control officers.
- In 2005 – the IHF President allegedly dismissed the President of the IHF Medical Commission, Dr Gijs Langevoort. The Medical Commission President claims to have refused to allow the IHF President to improperly interfere with the anti-doping program.
- In 2006 the Men's European Clubs Cup final was found to have been fixed when Russian customs officials found \$50,000 inside one of the two German handball referees's suitcases after the match. The referees were banned for five years in 2009.<sup>12</sup>
- In September 2007 – the results of the game between Korea and Kazakhstan in the Asian Men's Qualification Tournament for the Beijing Olympic Games were found by the Court of Arbitration for the Sport to have been fixed by the Jordanian referees. The results of the whole tournament were annulled, and had to be re-played.<sup>13</sup>
- In December 2007 - The decision of the Council of the International Handball Federation, relating to the both the men's and women's Asian qualification events, was found to by the Court of Arbitration for Sport to have been so seriously flawed and lacking in procedural fairness and the application of natural justice that it was set aside.<sup>14</sup>
- 2007 appears to have been a busy year, as allegations are coming to light only now that the German prosecutors launched an investigation in November 2011 that the IHF President, Dr Moustafa is alleged to have received a cheque for €300,000 (\$414,000) in April 2007 and a bank transfer of €302,000 (\$416,000) in November 2007. Prosecutors allege that these amounts were paid as bribes and "reward" for Dr Moustafa giving the TV rights to Sportfive, which is a German company.
- In 2009, the IHF reportedly withdrew sufficient financing to the IHF's internal Anti-Doping Unit, so that out of competition testing in handball could no longer take place.

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<sup>12</sup> The winners of the final, Chehovski Medvedi, were also excluded from international competitions for two years for failing to cooperate with investigating authorities - [www.universalsports.com/news-blogs/article/newsid=341332.html](http://www.universalsports.com/news-blogs/article/newsid=341332.html)

<sup>13</sup> Asian Men's Qualification Tournament of 1 and 6 September 2007 held in Toyota, Japan are annulled

<sup>14</sup> The decision of the Council of the International Handball Federation of 17-18 December 2007 is set aside

- In March 2011, the anti-doping unit assistant was fired, allegedly because she refused to improperly pass on confidential information relating to the anti-doping program to the IHF President.
- In August 2011, the IHF President fired the IHF Head of Anti-Doping, Dr Hans Holdhaus, after 20 years in the position, because he claims to have also refused to submit to the IHF President's pressure.

What is the expression, which I believe originated in Turkey: "a fish rots from the head down"? The leadership by the IHF president appears to have created a culture where referees are found to have been paid off to unfairly penalise one team, teams turn a blind eye, or actively encourage, athletes to dope, and the President himself appears to have fraudulently benefited from his position. None of these examples directly refer to betting, or to organised crime, but it is not too much of a stretch to imagine that organised criminals are lurking somewhere behind this picture.<sup>15</sup>

Taking you back to our friends at Transparency International, why is Transparency International getting involved with sport? Australia's own Integrity Commissioner, Philip Moss, includes "Sport" as one of 10 national priorities under a proposed National Anti-Corruption Plan, in order to protect the culture of our nation.<sup>16</sup> "Sport" in this proposal is up there with judicial, parliamentary and law enforcement integrity! Important stuff.

Cheating, and corruption in sport is being looked at very very seriously by those organisations that are involved in combating organised crime and corruption in our key institutions. The clear message that is coming through is that the same criminals that are involved in illicit drug trafficking, are also involved in trafficking performance enhancing drugs, in prostitution, in human slavery, in the illegal arms trade. They use sports betting as one easy way of laundering their 'dirty' money to have it reappear in another bank account as legitimate winnings. This

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<sup>15</sup> What do we know, for example, about the ownership of the Russian Chehovski Medvedi handball team referred to above where referees were paid off, and why did they refuse to co-operate with investigators?

<sup>16</sup> P Moss, "Corruption Trends and Issues in the 21<sup>st</sup> Century – where to from here?", Developing the National Anti-Corruption Plan, International Anti-Corruption Day, 9 December 2011, <http://www.ag.gov.au/Crimepreventionandenforcement/Corruption/Documents/Speech%20-%20Philip%20Moss%20-%20Integrity%20Commissioner%20-%20ACLEI.pdf>

laundering process is even more lucrative if you already know what the outcome of the match is because you were involved in fixing it.

Work has started at the international level, and in some countries domestically, on what sports organisations can do to protect themselves, and their athletes from this type of interest from organised criminals. If you want to look into the detail of the ways sports are already doing this, I would refer you to the excellent publication, “Integrity in Sport” that has been produced by the member association for the international sports federations, SportAccord.<sup>iv</sup>

One question that still has not yet been resolved however, in looking at what lessons can be learnt from anti-doping, I am going to leave you to ponder. It has been suggested in several quarters that it would be beneficial to establish an international integrity body, along the lines of the World Anti-Doping Agency (WADA). The flow on effect of that decision may then also be, that the National Anti-Doping Organisation in each country, the Australian Sports Anti-Doping Authority here for example, would expand their jurisdiction to include integrity and anti-corruption broadly beyond the current scope of anti-doping.

WADA, through their Director-General, David Howman, has made it quite clear, that they have no interest in expanding into this area.<sup>17</sup> It would seem, through establishing the National Integrity Unit, that Australia feels the same way, and wants to keep ASADA focused on doping issues.

I agree with the position, that if there is an international (and then national) body dedicated to integrity in sport, that they work together with, but independently from, the anti-doping organisations. Anti-doping is unique in the international law space, having both a Code that applies to the sports organisations, and an international convention that binds the Governments.

Compare this with how organised crime is tackled. There is no international convention on information sharing between law enforcement agencies, and no “Code” comparable to the

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<sup>17</sup> See, for example, Howman’s presentation at the Tackling Doping in Sport forum, 16 March 2011, <http://www.playthegame.org/news/detailed/wada-warns-against-criminals-taking-control-in-sport-5125.html>

WADA Code. Organised crime, by its very nature, moves across borders, and requires a sophisticated level of cooperation between the national policing bodies. To some extent this information sharing is facilitated by Interpol. Interpol is an organisation consisting of 190 member law enforcement organisations, which enables cooperation to occur, even where diplomatic relations do not exist between particular countries.<sup>18</sup> Many in law enforcement would oppose any attempts to create a WADA style body or an international convention (like anti-doping UNESCO convention) to combat organised crime. The time taken to achieve consensus is seen to be counter-productive, and parties are concerned that a convention would water it down any agreements currently in place.

Many sports already have their own integrity units and don't want an international body to interfere with the systems they have established. A WADA style integrity agency is a good concept, but all stakeholders need to be clear about what an international integrity body could or should do: intelligence gathering? investigations? enforcement?

If the anti-doping experience is anything to go by, there is certainly a lot of room for improvement in the area of inter-agency collaboration. There are a number of significant challenges, requiring relationship building and an understanding of the role played by law enforcement and sports organisations. While inter-agency collaboration is not a single button solution, it is a better option than not sharing information. Whether we see this facilitated through a world integrity agency, styled on WADA, and whether the very serious problem of corruption in sport can successfully be minimised is a whole other session for another day.

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<sup>i</sup> World Anti-Doping Code 2009, [http://www.wada-ama.org/rtecontent/document/code\\_v2009\\_En.pdf](http://www.wada-ama.org/rtecontent/document/code_v2009_En.pdf)

<sup>ii</sup> National Policy of Match-Fixing in Sport, 10 June 2011, [http://www.dpmc.gov.au/sport/funding/match-fixing/docs/national\\_policy\\_match-fixing.pdf](http://www.dpmc.gov.au/sport/funding/match-fixing/docs/national_policy_match-fixing.pdf)

<sup>iii</sup> Transparency International, Working Paper on "Corruption and Sport: Building Integrity and Preventing Abuses", #03/ 2009, [http://www.playthegame.org/uploads/media/Transparency\\_International\\_-\\_Corruption\\_and\\_Sport.pdf](http://www.playthegame.org/uploads/media/Transparency_International_-_Corruption_and_Sport.pdf)

<sup>iv</sup> "Integrity in Sport: Understanding and preventing match-fixing", SportAccord, April 2012, [http://www.sportaccord.com/multimedia/docs/2012/04/SportAccordIntegrityReport\\_A4\\_V2UpdatedApril2012.pdf](http://www.sportaccord.com/multimedia/docs/2012/04/SportAccordIntegrityReport_A4_V2UpdatedApril2012.pdf)

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<sup>18</sup> <http://www.interpol.int/About-INTERPOL/Overview> - accessed 23 March 2012