# Footynomics and the Business of Sport

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# 1. INTRODUCTION:
# THE RISE OF THE ECONOMICS OF SPORT

If you look closely at your favourite sport nowadays, it's hard to miss the influence of economics.

It's evident from the way the players are drafted or how much they are paid through to individual coaching decisions, and even strategic shifts across entire leagues.

This has been particularly driven by the rise of game theory in economics. Game theory uses mathematical models to figure out optimal strategies, such as what pitches a baseball pitcher should throw or whether American soccer teams should pass more.

Sport lends itself to economics and game theory because players, coaches, and agents act similarly to the hypothetical, rational decision-makers in economic models.

## The economics of professional sport

If you've seen or read *Moneyball,* you'll understand how economics can be used to put together a team. (1)

It is the true story of Billy Beane, the former general manager of the Oakland Athletics baseball team. Beane became famous for using economic ideas to identify undervalued players. The book was later turned into a movie starring Brad Pitt as Billy Beane and Jonah Hill as the nerdy maths whiz-kid assistant.

Baseball scouts and agents often focused too much on unimportant factors, like how hard someone could hit a ball.

Using advanced statistics, Billy Beane could identify players undervalued by his competitors and play them in ways that made the best use of their strengths.

In basketball, US economist Robert D. Tollison is largely behind the explosion of three-point shooting in the National Basketball Association (NBA).

Tollison's research identified that even though three-pointers were less accurate than other shots, over the course of a game and season it made sense to take more three-pointers. (2)

In some cases, economists have been hired to solve specific problems. For instance, the Australian Football League (AFL) was worried about clubs "tanking" (purposefully losing) to get favourable draft picks (not mentioning any names, Melbourne).

So, the AFL asked Melbourne University economics professor Jeff Borland to come up with an objective measure of club performance (based on team performance, win-loss ratios, previous finals appearances, and injuries). (3)

## Why are academics getting into sports?

For teams and leagues the incentive to implement economic ideas is financial. American football's Superbowl attracts 100 million (plus) viewers each year in the United States alone.

In Australia the broadcast rights for the AFL and National Rugby League (NRL) are each valued in the billions, not millions, over the life of a six or seven year contract. And this doesn't count the merchandise that can be sold to fans.

But academic economists are often driven by something else: analysing sports can shed light on fundamental economic questions, particularly about the impact of incentives, labour market discrimination on race and gender lines, and competition.

For instance, discrimination against non-white athletes like Hank Aaron in Major League Baseball led to a lot of interesting research about the economics of discrimination in the workplace.

Similarly, the rapidly increasing player salaries in the English Premier League has led to a lot of analysis of winner-take-all markets. It has also led other professional sports leagues to implement salary caps and restrictions on the draft.

But the economics of sports aren't just for academics, teams, and leagues. The past few years have seen a few popular books that explain how fans can also get in on this movement.

For example, there's *Soccernomics* by Simon Kuper and Stefan Syzmanski. This book applies statistics, economics, psychology, and game theory to popular questions about games. Which country likes soccer the most? Norway. Which country has performed better at the World Cup than it should have? England (despite its reputation). (4)

There's also Franklin Foer's *How Soccer Explains the World*, which uses soccer to explain topics as diverse as globalisation, oligarchy, and antisemitism. (5)

Lawrence Ritter, an eminent economist, is arguably more famous for his book *The Glory of Their Times*, about the early days of America's Major League Baseball. There has probably been no better book on the sociology of business and the labour market of the United States in the 1920s. (6)

## Why Australia is a special case?

Sports economic literature booming internationally is one thing, but it's now lapping on the shores of sports-mad Australia. Not only are we keen on participation in sports, but also in terms of spectating and celebrating sport. Not many countries have a public holiday devoted to a horse race, but Australia does.

We are also unique in having four codes of football – Australian rules, rugby league, rugby union and soccer – battling it out for players', fans',

sponsors', and the media's time in a fiercely contested market. And that's even before we get to cricket, tennis, athletics, and the rest. Hence the reason for these essays on *Footynomics* and *the Business of Sport.*

## The bottom line

The growth in sports economics is likely to continue, as the data gets better and teams compete for a strategic edge. As more money goes into professional sport, the higher the stakes. In economic terms, the sports industry really is more than a game.

I hope you enjoy these essays.

# INTRODUCTION: AUSTRALIA – ONE COUNTRY, FOUR CODES OF FOOTBALL

Most countries mainly play and support one code of football – "English rules football" or "association football", shortened to its nickname "soccer". Some play two – like South Africa (rugby union and association football) — and some play three, like the UK (soccer, rugby union, and rugby league) and Ireland (soccer, rugby union, and "Irish Rules" or Gaelic football). Only in sports-mad Australia are there four codes, adding our own popular code of Australian rules football to rugby league, rugby union, and soccer.

So how does one country manage with four codes? It is partly about geography, with Aussie rules traditionally popular in Victoria, South Australia, Western Australia, and Tasmania – and the rugby codes more popular in New South Wales and Queensland. It has also been about demography, too. Rugby union is popular in non-government schools, universities, and the armed forces. Rugby league is a more working-class sport (as it was a professional breakaway from rugby union). Soccer, while historically played in the Newcastle and Illawarra regions, got a huge boost from post-war immigration. Club names such as Adelaide Juventus, West Adelaide Hellas, Marconi, and Melbourne Croatia reflect the strength of ties to migrant communities.

So how did this come to be? The following articles look at the historical origins of each code of football to the place they find themselves in now. In addition, there are some articles on special topics like the expansion of the codes (Tasmania in the AFL, for example) and the rise of the women's codes (particularly the Matildas phenomenon). These are included to give a flavour of the competition between the football codes for player talent, sponsors, and fans; and also to show, in some ways, a happy equilibrium for consumers of spectator sport in a sports-mad country.

# 2. A GAME OF OUR OWN. 1858 AND ALL THAT – THE ORIGINS OF AUSTRALIAN RULES FOOTBALL

The extraordinary thing about Australian rules football is that it is truly indigenous to Australia and is one of the oldest sports in the world, with its rules codified even before association football got its official act together in England. This makes the first Australian rules football clubs, Melbourne and Geelong, two of the oldest football clubs in the world.

The 'Australianness' of the game's origins had been a source of pride to one of Australia's most distinguished historians, Geoffrey Blainey, who notes:

> "Australian football was the most remarkable of these spectator sports. It is sometimes said to have stemmed from Gaelic football in Ireland, or to have been moulded by the football played at the Rugby School in England. Certainly the squatter's son, Tom Wills, a Rugby boy who did much to shape the game, borrowed from rugby football, but the game was essentially a Victorian invention. It was not born ready-made but changed itself so much that the present game is unrecognisable from that which was first played on Melbourne parklands in 1858." (1)

Those Melbourne parklands, described by Blainey, became the parklands surrounding the Melbourne Cricket Ground (MCG) today.

The economic factors in 19th century Australia, cheap land. and a shortage of labour helped Aussie rules football boom. The shortage of labour led to the push for shorter working hours (the '8 hours' movement) and with it more leisure time for workers and their families. Australian rules football became one of the most popular leisure activities of the era. Blainey notes:

> "The native brand of football gripped Melbourne long before soccer and rugby took a grip on the imagination of big English cities… It belonged to

> a society where land was cheap and where the government normally set aside large areas of public recreation. Transfer a Melbourne football oval to Hong Kong, Chicago or Manchester, and whole terraces and apartments would have to be demolished to fit in the ground, its grandstands and embankments." (2)

This was good news for workers, who were able to play, and the rest of the community, who were able to watch as spectators. As Blainey notes, this led to large crowds of spectators.

> "As a result, this workingman's paradise of cheap land, good wages and good weather produced Australian Rules Football, truly a game of our own. And particularly after workers got Saturday afternoon off, Aussie Rules was well attended. The South Melbourne- Geelong Grand Final on Saturday 4th September, 1886, drew 34,141 at the Lake Oval in Albert Park." (3)

According to British sport historian Tony Collins, that South Melbourne - Geelong clash was "probably the largest crowd that had ever assembled to watch a game of football anywhere in the world." And the crowds kept coming, including well-attended games under floodlights between two regiment teams, the Collingwood Rifles and the East Melbourne Artillery, as early as 1879 (4). The arc lamps allowed football to be played at night. Melbourne, along with Buenos Aires, was one of the first cities to be electrified and football was a beneficiary of the technological advance in the late 19th century.

In many ways, Australian rules football was invented right when Melbourne was developing as a city on the back of the wealth generated by the gold rushes in Ballarat and Bendigo in the 1850s. This allowed Australian rules to grow organically rather than be imposed from outside on an existing urban social structure. As Collins says:

> "In Britain, sport had come to cities that however much they were changing, had been founded centuries earlier and already had their own distinctive cultures. But in Melbourne, football appeared at the same time that the city was in the process of being born. Rather than merging with the city's pre-existing culture as in Britain, the game was an organic part of Melbourne culture, as integral to the pulse of the city as its climate and geography. Football encompassed all of Melbourne's classes, from Scotch College's

> elite upper-class schoolboys to Collingwood's unskilled labourers who had to queue to find work every morning. Nowhere, not even in Glasgow, was football so completely intertwined with the life of the city." (5)

There has always been speculation that Australian rules football also had historical links to 'Marn-grook' (or Marngrook), a game played by Indigenous Australians with a possum skin. There were a variety of games played by many diverse Indigenous communities across the continent. This conjecture is understandable given so many Indigenous champions of the game, on and off the field. The Marngrook Footy Show, hosted by popular Aboriginal footy stars, gained an enthusiastic TV following between 2007 and 2019, especially as it celebrated Indigenous footballers and the communities they belonged to. However, despite the wishful thinking, the links have yet to be proven. Aussie rules followers may have to be left with the fact their code was started by private school boys, like almost every code of football except rugby league.

As well as Marn-grook, there also is also a romantic attachment of Australian rules to Gaelic football. Again, this is due to so many great Irish-Australian champions who have played the game, and the traditional links between Irish and Australian nationalism, especially in the early Australian republican movements. But the games actually developed separately – and again, Australian rules got in first in terms of official codification of its rules. There was no mention of Gaelic football when Australian rules was first created and codified despite the fact that one-fifth of the population of Victorian were Irish-born or had Irish parents. And the creation of Gaelic football had its own unique Irish history and links to Irish nationalism quite separate to the English private schools (known as 'public schools') that created rugby and soccer.

However, as the games developed, their similarity led to games of 'international rules' (a modified form of Gaelic and Australian rules football) being played from 1967, when former umpire and entrepreneur Harry Beitzel's 'Galahs' toured Ireland. From the 1980s a number of Irish Gaelic footballers tried their luck at Australian rules. The most famous is Melbourne legend Jimmy Stynes (1966-2012), who won the AFL's greatest accolade, the Brownlow Medal, in 1991 who also had an enormous

community impact off the field. The Jimmy Stynes Foundation provides awards for community leadership on projects like mental health, youth employment and Aboriginal and Torres Strait Islander economic development and continues to this day well after the tragic premature death of Jimmy Stynes at the age of 45.

So, the game's origins were Australian, or rather *Victorian* (in terms of era and colony of origin). But from its humble beginnings in Victoria, it spread quickly to the colonies of South Australia, Tasmania and Western Australia, and even to New South Wales and Queensland. Part of the reason was inter-colonial migration, particularly when gold was found in Western Australia, attracting prospectors from Victoria and South Australia. Amazingly, at one stage Aussie rules was popular in Queensland in the late 19th century and rugby union in WA, but the gold rushes and vast inter-colonial migration put paid to that. As Victorians moved west to the gold rushes in Kalgoorlie and Coolgardie via South Australia they took Australian rules football with them across the Nullarbor Plain. Many rugby clubs in WA switched to Australian rules on the back of its sudden popularity. By contrast Queensland, an Australian rules football colony was being targeted by New South Wales rugby officials to convert them over to rugby union. But it was the gold rush that really boosted Aussie rules across the continent.

According to the esteemed South Australian sports historian Bernard Whimpress:

> "Australian Football started in the same decade as the gold rushes. Immigrants came from all over the world to try their luck prospecting and were no doubt imbued with the optimistic spirit of the age, a spirit which might also favour a nationalistic, republican identity and a willingness to adopt anything Australian made. The concept of 'a code of our own' had arrived at just the right time. South Australia and Tasmania, as Victoria's geographical neighbours, were more likely to adopt the Victorian game than its northern neighbour New South Wales, jealous of its position as the premier colony, and threatened by Victoria's rapid expansion. While football made a promising start in Queensland, the tyranny of distance in its isolation from Victoria told against its expansion when rugby links started to be forged with New South Wales.

Early football in Perth benefited from the influx of a substantial number of Victorian and South Australian immigrants who had already been playing the Australian game. Twenty years later, the establishment of football in the territories perhaps relies on political history. What became the Northern Territory had previously been administered by South Australian governments and many of its public servants were drawn from Adelaide and played Australian football. Although Canberra was much closer to Sydney than Melbourne, the southern city had been the headquarters of the national government so that, in its formative years, the bulk of public servants transferring to the new capital would have come from Melbourne, and brought its football code with them." (6)

The colonies (which became states in 1901) grew their own separate competitions. Whilst the first recorded game was in 1858, the Victorian Football Association was founded in 1877 with five Melbourne teams, Albert Park, Carlton, Hotham (later renamed North Melbourne), Melbourne, St Kilda and provincial side Geelong. This was the premier competition in the colony before the formation of the Victorian Football League (VFL) in 1896 which eventually became the main competition in Victoria in the 20th century. The VFA even lost some key clubs to the VFL such as Footscray, Hawthorn, and North Melbourne in 1925.

In Adelaide, South Australia Football Association (SAFA), also began in 1877, morphing into the South Australian National Football League (SANFL) which still exists today. In Perth, the Western Australia Football Association (WAFA) was founded in 1885 and has existed in various guises including its current name the West Australian Football League (WAFL). The WAFL rules the roost in Perth although there has been a successful Goldfields League too that was founded at the turn of the last century during the WA gold rush. Tasmania has been the most decentralised of all the states with three separate leagues in Tasmania based in the South, North and North West of the island state. The competitions basically operated independently for almost 100 years with little interaction with each other.

In fact, crossing the border to get some excitement only came at state carnivals and club 'Champions of Australia' games at the end of the season (a bit like the excitement of new state-based beers being poured on interstate

trains like ‘The Overland’). From the 1970s, state football became even more exciting with ‘State of Origin’ matches that enabled South Australian, Western Australian and Tasmanian players recruited by VFL clubs to play for their home state. Star-studded SA and WA line-ups full of VFL based players regularly defeated ‘the Big V’. Even Tasmania beat Victoria on a couple of famous occasions.

Border crossing became common at the club level when the VFL decided to take the game national, to save struggling Melbourne clubs and to head off the threat of a National Football League proposed by some SA and WA football administrators. To protect its patch, and hopefully preserve most of its clubs, the VFL decided an expanded Victorian competition, with a few interstate teams grafted on, was better than starting a truly national competition from scratch.

The catalyst was the South Melbourne Swans. In the early 1980s the battling inner-city club South Melbourne, unsuccessful on and off the field, flew from Lake Oval, Albert Park to the Sydney Cricket Ground (SCG) and became the Sydney Swans. This gave the VFL a beachhead in Sydney, Australia’s largest city and was the beginning of the VFL looking beyond its traditional heartland.

The West Coast Eagles and Brisbane Bears joined the VFL in 1987. In 1990 the VFL rebranded as the Australian Football League, or the AFL as we know it today. The Adelaide Crows joined in 1991. A second WA side, the Fremantle Dockers, joined in 1995, Port Adelaide (the most successful club side in the South Australian National Football League) joined in 1997.

Port joined at the same time the AFL facilitated a controversial merger between the Fitzroy Lions and the Brisbane Bears, who became the Brisbane Lions, adopting Fitzroy’s colours (maroon, blue and gold and theme song). The merger was regarded by football traditionalists as an assassination of a proud inner-city club of 113 years standing, although the efforts to incorporate Fitzroy’s identity in the new club, followed by three premierships, did help heal some of the wounds.

In a further aggressive expansion into the northern states, the AFL added the Gold Coast Suns in 2011, and the Greater Western Sydney (GWS)

Giants in 2012. In a nod to the active Aussie rules community in the Australian Capital Territory, it was decided that the Giants would play three home games a year in Canberra and have ‘Canberra’ written on the backs of the Giants’ guernseys. The question is whether the GWS Giants are enough to satisfy the appetite for Aussie rules in a city that before the rise of the Canberra Raiders in rugby league and ACT Brumbies in rugby union had a healthy Aussie rules following. Alex ‘Jezza’ Jesaulenko, Kevin ‘Cowboy’ Neale and James Hird are all famous names associated with the ACT.

But this aggressive expansion still left some unfinished business in traditional footy heartland. Tasmania has had a vigorous Australian rules football tradition with the game played at the grass roots all over the island state, from the stormy north-west to the gravel oval of the mining community of Queenstown. It has produced champions like Royce Hart, Laurie Nash, Darrel Baldock, Alastair Lynch, Ian Stewart, Brent Crosswell, Nick and Jack Riewoldt, and Peter Hudson. But despite its historical status, the VFL and AFL have given short shrift to Tasmania, preferring to enter expansion clubs in non-traditional states and use Tasmania as a landing pad for Victorian clubs, with North Melbourne and Hawthorn playing a few ‘home’ matches in Hobart and Launceston respectively.

That may soon change depending on the improved economic position of Tasmania, the breakdown of the historical north-south rivalry within the state, and the successful hosting of two AFL finals in 2021 when Covid19 prevented them being played in Melbourne. Once Tasmania is admitted, that only leaves the Northern Territory without a berth in the AFL (assuming GWS continues to play some matches in the ACT). The NT has produced many fantastic footballers, from Indigenous communities of the Red Centre up to the Tiwi Islands, and has a strong local league. Footballers like Michael Long, Gilbert McAdam, Maurice Rioli and Andrew McLeod have been some of the greatest players ever seen and hail from the Territory. The question will be size and climate, given the circumstances of the Top End, but the emphasis on the development of Northern Australia may help the case for a NT side in the AFL.

Historically, the domestic expansion of the VFL (then AFL) has raised some interesting questions. Is it a genuine national competition or Victoria plus? Many traditional Australian rules football followers point out that the game is not just about Victoria. There have been many proud clubs not in the AFL like Norwood in SA, South Fremantle in WA, North Hobart in Tasmania and Southport in Queensland. And why should the AFL grand final be played at the MCG every year until 2057? The AFL and the Victorian have signed a contract that the penultimate game of the year is always at the 'G' (as footy fans call the MCG). But other venues have shown they can do the job too. During the Covid19-affected seasons Brisbane did a good job hosting the 2020 grand final at the Gabba and Perth showed how magnificent its new stadium was in the 2021 grand final. It could be like the Superbowl, which is shared around different cities of the US each year. Some would counter that the FA Cup final is always at Wembley Stadium in London, so the AFL should stick to the MCG for the ultimate game of the year. The AFL's trump card is capacity. Only the MCG can hold the near 100,000 capacity crowd that attends the grand final.

There's also the question of launching into non-traditional territory or consolidating the base like rugby league. It would seem the Sydney Swans and Brisbane Lions, clubs with VFL roots, are a great success, but the jury is still out on the newest franchises, the GWS Giants and the Gold Coast Suns (especially the Suns). The addition of two sides from both SA and WA seems natural, as does adding the Tassie Devils from another traditional Australian Rules football state. It's the question of whether the AFL is run as a business or custodians of the code – or a mixture of both, balancing all interests.

When it comes to international expansion, the AFL has always been realistic and kept its feet on the ground, apart from the quirky musings of Richmond and Essendon legend Kevin Sheedy (who created some great traditions like the ANZAC Day game, the Indigenous, Women's and Country Rounds).

There have been exhibition matches in London and North America, in the Middle East, Africa, New Zealand and North East Asia. After some flirtation with China by Melbourne ('it's a grand old red flag'), Port Adelaide took its China engagement seriously with actual games for

premiership points in Shanghai. As Port Adelaide's visionary chairman David Koch pointed out, Port Adelaide has been the only foreign sports club to play in China for competition points, not just an exhibition game. And there are clubs set up for social games of Australian rules football among expats and enthusiastic locals across Asia, Europe, United States, Canada and Latin America. Having watched the Shanghai Tigers in action against the Beijing Bombers, I can testify to the vigour of the games and the enthusiastic fundraising they do for local charities.

But for all this talk of domestic and international expansion, the great leap forward has been in the women's game, the AFLW. While female participation is not new – there were women's games in the early 20th century – the game has really exploded professionally since the AFLW was established in 2017. With 18 AFLW teams now representing all 18 AFL clubs, they can now make their own history.

Seven codes of football developed in the 19th century. But only one, Australian rules football, was created here (and codified before most of the others). Clubs like Melbourne, Geelong and Port Adelaide are some of the oldest football clubs in the world, playing in front of some of the biggest crowds in the world. It really is a game of our own and a social phenomenon of which Australia can be rightly proud.

# 3. THE PEOPLE'S GAME. THE ORIGINS OF RUGBY LEAGUE IN AUSTRALIA

Rugby league has always been the people's game (or the people's code) with its roots in northern England as a working class offshoot of rugby union. Just as rugby had spilt in England over professionalism versus amateurism, with the Northern Union (NU) breaking away from the Rugby Football Union (RFU) to create the new sport of rugby league, similar tremors were occurring down under in Australasian rugby that would soon end up becoming an earthquake.

A tale of two rugby tours provided the watershed for the beginning of rugby league and its eventual dominance of New South Wales and Queensland.

During the first tour, in 1905, the New Zealand rugby union team (by then known as the 'All Blacks' as they were dubbed by the press) toured England, Wales, Scotland and Ireland. They swept all before them scoring 830 points to 30, with 205 tries and only four penalty goals and two dropped goals.

But off the field it was a different story, financially. Despite the team's on-field success, most couldn't afford to return home and had been not even compensated for expenses.

This caused tension in the players' ranks, especially as they were aware of the rise of professionalism in rugby in England with the Northern Union.

As a result, a second tour was organised – of the Professional All Blacks, managed by entrepreneur Albert Baskerville. The team played New South Wales in Sydney to huge crowds. Then the legendary Dally Messenger then joined the Professional All Blacks – who became known as the Old Golds – on a tour of England and Wales. Messenger was the highest profile player

in the competition at the time so his addition to the Old Golds drew great publicity (and anxiety amongst officials who wanted to keep rugby strictly amateur).

Baskerville's team played 35 games in England and Wales, winning 19, with two matches drawn. Gate-takings amounted to 8,838 pounds – only 70 pounds less than the 1905 All Blacks, who played Scotland and Ireland as well.

But instead of being left out of pocket, each Old Gold player eventually received a share of gate takings – 300 pounds each. It was a substantial sum, enough to set up in business or buy a house.

This demonstrated to working-class rugby players that the game could be lucrative as a professional sport. Furthermore, Australia and New Zealand didn't have a ready supply of upper-class aristocrats to play the sport on an amateur basis. Most players were working class, whether migrant or native-born, and had to make a living. The amateur ethos was fine in theory but wouldn't pay the bills in practice.

The time was ripe for the uptake of rugby league. As Collins explains, this was "as much a social revolt as it was a sporting rebellion. Rugby league in Australia was, as in England, predominantly based in the industrial working classes and intimately connected to the labour movement." (1)

Indeed as well as the crucial role played by All Golds tourist Dally Messenger and associates, the first champions of rugby league were leaders of the rising Australian labour movement. For instance, Harry Hoyle, the first president of New South Wales Rugby Football League (NSWRFL) was leader of the Railways Union and ALP election candidate. Ted Larkin, the rugby league's first full time secretary was an ALP Member of the NSW Legislative Assembly. And John Storey, boilermaker and future Labor Premier in NSW was founder of the Balmain club.

As Collins notes:

> "Wherever it was played, rugby league saw itself, and was seen by others, as a sport of the working class. This was not necessarily a socialist belief but a more general feeling, animated by the dispute with rugby union, that the world was divided between 'us and them'. Rugby league wanted to be treated equally with the other classes in society. Horrie Miller, the secretary of the NSWRL, summed this up in 1920 when he said 'it is essential that every class in a community should understand and appreciate the worth of every other class.' In the 1920s, the sport was regularly referred to in Australia as 'the people's code'. Sydney's *Rugby League* News proclaimed in 1946 that 'rugby league, with justifiable pride, always emphasises the fact that it is the most democratic of sports, just as it saw itself in Britain.' (2)

And forever more Rugby league built on its professional ethos and working class roots, which continued especially while Rugby union maintained an amateur status. Rugby league became commercially innovative with the rise of the Leagues clubs and ever changing TV broadcasting initiatives while rugby union remained amateur although strong in universities and private schools.

Geographically too, rugby league started to dominate in the northern states. Traditionally speaking, Australia's rugby league heartland is New South Wales (NSW) and Queensland – hence the ferocity of State of Origins. Domestic expansion is limited but it is simply loved in Queensland, NSW and the ACT in both city and country. That heartland, given the population of NSW and Queensland, is enough to make rugby league the second biggest game in the land after Aussie rules.

Beyond our shores, rugby league is popular too in Papua New Guinea (PNG) and the Pacific, particularly on the north island of New Zealand. Rugby league on an international scale is mainly these countries plus the north of England, France and a few other countries who appear in the Rugby League World Cup. But it is still pretty niche compared to soccer and rugby union, who have bigger world cups.

Like in the AFL, the Indigenous contribution to the game is very important and increasingly recognised with pre-season and indigenous all-star matches. The NRL Women's (NRLW) competition is also expanding, partly in response to the success of the Women's Rugby Sevens at the

Olympics along with the success of AFLW and women's soccer (especially the prominence of the Matildas).

But for all this innovation, rugby league, true to its roots, has stuck to its heartland. Its latest expansion of the Dolphins into the NRL from the proud community of Redcliffe on the Brisbane suburbs show that it mainly fishes where the stocks are high, consolidating its base rather than expanding into new territory. Apart from the Melbourne Storm, a successful club (despite some salary cap controversy), the NRL has stuck to the territory of its true believers while the AFL has expanded like evangelists into rugby league territory like Western Sydney and the Gold Coast. These alternative models of expansion will be important to watch especially as the NRL has always tried to balance its enormous corporate ambitions with its tradition as the people's game in NSW and Queensland.

# 4. THE WORLD GAME. THE ORIGINS OF 'ASSOCIATION FOOTBALL' OR 'SOCCER' IN AUSTRALIA

'Association football' or 'soccer' was a British invention that took the world by storm in the late 19th century and throughout the 20th. Through the British Empire's influence, mainly via the British army, navy and the building of railways, soccer spread like wildfire to Europe and Latin America, and eventually to the Middle East, Africa and Asia. By the end of the 20th century soccer truly was the world's most popular code of football. Only some parts didn't take to the game. In North America, the US preferred its own code of football, American football or 'gridiron'. Canada preferred Canadian football (similar to gridiron). Ireland codified its traditional Gaelic football. India stuck to cricket, and in New Zealand and the Pacific and in the Afrikaner and Anglo parts of South Africa, rugby union took hold, as it had in some parts of Europe and in Britain, sharing the stage with soccer, and later rugby league.

In Ireland, supporting Gaelic football and hurling (an ancient Irish game using sticks on a Gaelic football pitch) was a Republican rejection of the imported British imperialist sports. Yet India took to the British games of cricket and hockey but not soccer.

And in Australia, soccer had to compete with three other codes of football (rugby union, rugby league and Australian rules football). The extraordinary situation of a country playing 4 different codes of football (more than the usual 1 or 2, and sometimes 3) was the reason why I became fascinated with 'Footynomics' in the first place.

The so-called 'Australian paradox' with respect to soccer always puzzled 'Mr Soccer', the late and great Les Murray. Les was a Hungarian refugee who escaped in 1956 coming to Australia and becoming a sports journalist after a brief career as a rock star. Les found his way to the Special

Broadcasting Service (SBS) as the 'face' of Australian soccer. For full disclosure, I was a friend of Les and spent a lot of time with him at cafes in Double Bay, Sydney, discussing economics, politics, sport and culture. We both shared Hungarian roots (his more immediate than mine) and an anglicised last name. Les had come to Australia with his family as a Hungarian refugee, Laszlo Urge, in 1956. My great grandfather, Israel Harkowitz, came from the Hungarian part of Romania (Transylvania) in the 19th century. His son, my grandfather Kopel Harkowitz, changed his name to Ken Harcourt about 30 years before Laszlo Urge became Les Murray.

As a Hungarian refugee, fleeing communism, Les loved Australia. He loved the code of football that he and many other European families brought with them, and was a passionate advocate of 'The World Game' (he coined that phrase in his broadcasting role at SBS). But he always respected his fellow Australians' passion for their codes, whether it be rugby league (he did grow up in Wollongong, after all), rugby union or Aussie rules.

Nevertheless, soccer's place in Australia was always the greatest puzzle to Les. If soccer *is* 'the World Game', why not so in Australia? Why didn't soccer – a game invented by the British – not take off despite Australia being such a British place in the 19th century? Les and I covered this issue many times in long conversations in the coffee shops of Double Bay, and Les also wrote about it, insisting on using the word 'football' for soccer):

> "There are, of course, pockets of the world – though not many – in which football didn't make this conquest and where, a century or more later, other sports dominate. Curiously, this is the case in North America, Australia, New Zealand and India, places that were once at the very bosom of the British Empire and where one would have thought the social models of the motherland would have been most readily followed.
>
> But they weren't, and why they weren't has fascinated students of football for decades. As an Australian who dropped into the sporting culture of the country as a child immigrant from football-mad Europe, this for me has long been a source of curiosity. Why is it that Australia, amongst the most culturally British of the former colonies, took to rugby and cricket when Argentina, Egypt and Azerbaijan were seduced by football? And why is it, most bewilderingly, that Australia's native form of football, Australian

> Rules, actually pre-dates the birth of organised football (at the Freemason's Tavern, 1863) in England?
>
> The reason for the latter lies in the fact that the various forms of football disparately played in Britain before the rules of Association Football were codified and some kind of unity was achieved, were already emigrating to the colonies in the mid-nineteenth century and were being taken up by the empire's far reaches. A particularly winning recipient was the booming city of Melbourne, where labour was plentiful and leisure time long. Out of the muddle of fun recreation around Melbourne's vast greens emerged a single game in 1859, four years before the Freemasons Tavern meetings, when the original Melbourne Rules (or Victorian Rules), the Mother of Australian Rules were written. Melbourne has been the citadel of a communal sporting faith call Australian Rules football (nowadays AFL) ever since." (1)

Hence why Aussie rules, not soccer or any other football code, took hold in the southern states. Les Murray would have made a fine social historian as well as a great sports commentator. And it must be said that Les, and the great British social and sports historian Tony Collins, take a far more tolerant, nuanced and comprehensive account of the rise of the football codes in the 19th century. They explain why the football codes took root, in their various varieties, and indeed why Australia, with four codes of football, has been a historical outlier. It's a welcome approach, in contrast to other authors who arrogantly dismiss the non-soccer codes without an appreciation of their popularity and history. Especially Aussie rules, which was popular by international standards even in the 19th century, let alone in the 20th and 21st centuries. Soccer in Australia is actually more a 20th century phenomenon, much of it post-war, thanks to the large waves of post-war migration. Soccer, as Murray observed, largely didn't take off in big numbers when Australia was made up of colonies of Anglo-Celtic immigrants in the 19th century. But after World War II, as the Snowy Mountains schemes and other industrial projects were being developed, new hard-working immigrants from southern and eastern Europe brought their love of soccer with them. So despite being a British game in origin, much of the soccer story in Australia is the story of non-Anglo Australia. Soccer clubs were social clubs for immigrants wanting something familiar about their countries. Communities of Greeks, Italians, Croatians, Poles and Hungarians set up soccer clubs like South Melbourne Hellas, Adelaide City

Juventus, Club Marconi in western Sydney, Adelaide Polonia and St George Budapest in south Sydney. The role of these soccer clubs providing a social network for migrants is similar to the role played by Celtic when looking after Irish Catholic immigrants in 19th century Glasgow. This was observed by Ange Postecoglou, the Australian manager of Celtic, who went on to manage Spurs in the English Premier League. Postecoglou, who is of Greek origin and grew up playing for the Greek community affiliated club, South Melbourne Hellas as well as Aussie Rules footy.

This is not to disparage the role also played by British migrants to Australia in developing soccer. Craig Johnston, one of the first Australians to play top flight professional soccer in England for Middlesbrough and later famously Liverpool (scoring a famous goal in the Liverpool-Everton all Merseyside FA Cup Final of 1986) noted that his father played in the Newcastle/Hunter Valley area. This region was the cradle of Australian soccer in the 1950s. In addition, the soccer clubs of the suburbs of Adelaide and Perth had a fair sprinkling of northern English and Scottish accents. The Illawarra region, south of Sydney centred on Wollongong, has played an important role too. The Illawarra is the birthplace of Australia's oldest soccer club, Balgownie Rangers, formed in 1883. And then there's the case of our most famous Socceroo captain, Johnny Warren, described by his best friend Les Murray, as a 'Vegemite Aussie from Botany' who was adopted by the traditional Hungarian club St George despite not a trace of Magyar (Hungarian) roots.

Soccer's governance in Australia has always had its issues. After an effort by the Soccer Australia chairman David Hill (a former ABC managing director) to remove the strong 'ethnic' ties to the game, banning names like Melbourne Croatia. Taking over in 1987 and ruling with an iron grip for eight years Hill thought the clubs' strong ethnic identities were holding the game back and causing conflict. Later, in 2003, Westfield billionaire Frank Lowy took over the game to create Football Federation Australia (FFA) and the A-League and W-League (Now Football Australia, FA, A Leagues Men's and Women's). The Lowy revolution seemed to work, especially after he recruited Australian Rugby Union supremo John O'Neil. The men's national team, the Socceroos, made the 2006 World Cup in Germany for the first time since 1974, and the women's national team, the Matildas, grew in popularity and boomed during the FIFA Women's World Cup in 2023 (see

chapters to follow). Soccer's participation improved for both boys and girls at junior level with favourable demographics due to immigration levels and strong junior participation at early ages. However, soccer also experiences a drop off in participation levels at a later age. Soccer also had to battle the other codes for TV time, although the FIFA World Cup TV ratings always were a bonanza for the game, especially with the Socceroos being regular participants and the Matildas doing well.

Of course, soccer being the World Game is a double edged sword, as promising young talent will go offshore to big clubs like Liverpool, Real Madrid and AC Milan rather than stay in the A-league. In the women's game our talented Matildas are playing in the UK, Europe and US. Sam Kerr is a star at Chelsea, for example. This is not an issue in Aussie rules, nor in rugby league, as Australia hosts the best competition in the world, although there is a strong offshore pull in rugby union, given the strength of the international competitions with lucrative contracts on offer in nations like Japan.

In short, soccer is unusual in Australia in that, unlike in other countries, it has to compete with three other codes of football. However, it has steadily improved in participation and popularity. Its status in the 21st century is better than in the 20th or 19th, and its proponents say its best years are yet to come. That would put a smile on the face of Les Murray and Johnny Warren who were the standard bearers of the world game for so long.

# 5. THE GAME THEY PLAY IN HEAVEN. THE ORIGINS OF RUGBY UNION IN AUSTRALIA

There is something about 'rugby culture' at the club level. I got to understand this from personal experience and why rugby people are so attached to 'the game they play in heaven'.

I was introduced to rugby culture late in life. I grew up in Aussie rules heartland in Adelaide, South Australia. Both my parents were Victorian (Dad from Melbourne and Mum from Ballarat). Dad played Aussie rules for Adelaide University Football Club 'The Blacks' (as I did later) in the amateur league until he was 46.

My grandfather had played rugby union and rugby league while growing up in country New South Wales and Sydney but switched to Aussie rules when he lived in Western Australia and then Victoria. Aussie rules was dominant at school, with soccer in second place largely due to the large cohort of Italian and Greek migrants in our local area. Rugby was almost non-existent. You were as likely to see a game of field hockey or lacrosse as you were rugby.

As a result, I had not seen a game of rugby – union or league – let alone played it growing up. That changed in 1980 when Dad took the family to Canada and the UK on 12 months study leave (six months in each country). My high school in Toronto, Jarvis Collegiate Institute, was very proud of its rugby union team. When the coach heard I was Australian his eyes lit up. On my first training run I kicked the ball off the side of my boot and out of bounds on the full and they yelled "Awesome Aussie! What a great kick for touch!" So at age 14 I was selected as fullback in a team of 16 and 17 year olds and played a full season of rugby union without having ever watched a game before and having no idea of the rules (and I still don't!)

And something happened. I was hooked on rugby! The Canadians' enthusiasm for the game was infectious.