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### GLOBAL BUSINESS AND THE ECONOMY

# RESTORING INTEGRITY IN SPORTS BY SANCTIONING CRIMINAL ACTORS AND SEIZING THEIR ASSETS

## ¡Ya Basta! Enough is Enough! Addio Corruzione! Adieu Crime Organisé!

The integrity of Sport continues to be besmirched by the influence of corrupt public officials, felonious misbehaviours by management, coaches, trainers and athletes, and infiltration of organised crime into teams, leagues, and federations. From bribery scandals to criminal assaults, to money laundering and trafficking crimes around the world, the abuse in Sport by such bad actors and threat networks directly imperil the ethical core of Sport.

### Give us back our money or restore integrity in Sport!

At the current rate of criminality and malfeasance, fans who bought Sports apparel or are paying to attend Sporting events or pay per view streaming should be demanding restitution and damages from bad actors in Sports including athletes, team management, federations, and other deep pockets if they tarnish their Sport and are complicit in fueling corruption and crime.

In recent years, corruption and criminal scandals such as those involving Sporting bodies have created adverse harms to the public trust in Sports. These scandals further impugn the integrity of the Sport industry. Of equal concern is the penetration and involvement of organised crime in Sports as an enabler of corruption. Organised crime networks push narcotics, steroids, doping, bribery, fraud, racketeering, game fixing, and other illicit activities as a source of profit, but also engage in blackmail that enables them to continue to exploit compromised officials. Transnational organised criminal groups also are increasingly targeting, capitalising, and profiting from numerous illicit activities during major international Sporting events



such as, for example, the Summer and Winter Olympics, the FIFA World Cup, the NFL Super Bowl, and the Champions League Finals of the Union of European Football Associations (UEFA). The fact of the matter is that Sport is exploited every hour, of every day, throughout the year for illicit gain by greedy and rapacious criminals and others.

For example, while the global betting market across all Sport is estimated to be approximately \$2 trillion per year, Europol has reported that organised crime manipulates Sports competitions to be an estimated €120 million per year (for example corrupting players to facilitate betting-related match-fixing). On-line Sport betting is very profitable for organised crime in Europe, China and throughout the world including relating to the English Premier League, Spain's La Liga, Italy's Serie A, Ligue 1 in France, and other European leagues. During the current COVID-19 pandemic, online illegal betting has boomed including significantly extending its markets around e-Sports and virtual Sports. FIFA has estimated the extent of the illicit gains to be many times higher, reaching into the tens of billions of dollars, with the Italian mafia and other criminal syndicates scoring a significant portion of this illicit wealth.



Increasingly, in this COVID generation, criminals have exploited teenagers and young adults across on-line e-Sports streaming platforms and social media sites such as Instagram, Snapchat and Tik-Tok to serve as “money mules” to launder illicit proceeds through their banking accounts. Kleptocrats and oligarchs also have an affinity for Sports, laundering billions of dollars of looted assets either by purchasing Sports teams or through investments related to the Sport and hospitality sectors.

Moreover, some athletes, coaches, and management have also brought into sharper focus the potential for criminal violence in Sport through physical assaults and battery, rape, trafficking in drugs, sex, or weapons, and have been co-conspirators in fraud and other criminal activities. Larry Nasser violated the trust that many female gymnasts had in him as the national medical coordinator for USA Gymnastics when he willfully sexually abused girls and young women under his supervision. The governing bodies of U.S. gymnastics were complicit in covering these crimes, and in their failure to investigate early on upon the first reports. Contrast this with the real leadership exemplified recently by the Women’s Tennis Association (WTA) and their firm commitment, at the risk of losing hundreds of millions of dollars in China, to support Peng Shuai on her sexual assault allegation against Zhang Gaoli, former Vice Premier and member of the Chi-

nese Communist Party Politburo Standing Committee. Unfortunately, Dr. Nasser is not the only criminal preying on young athletes.

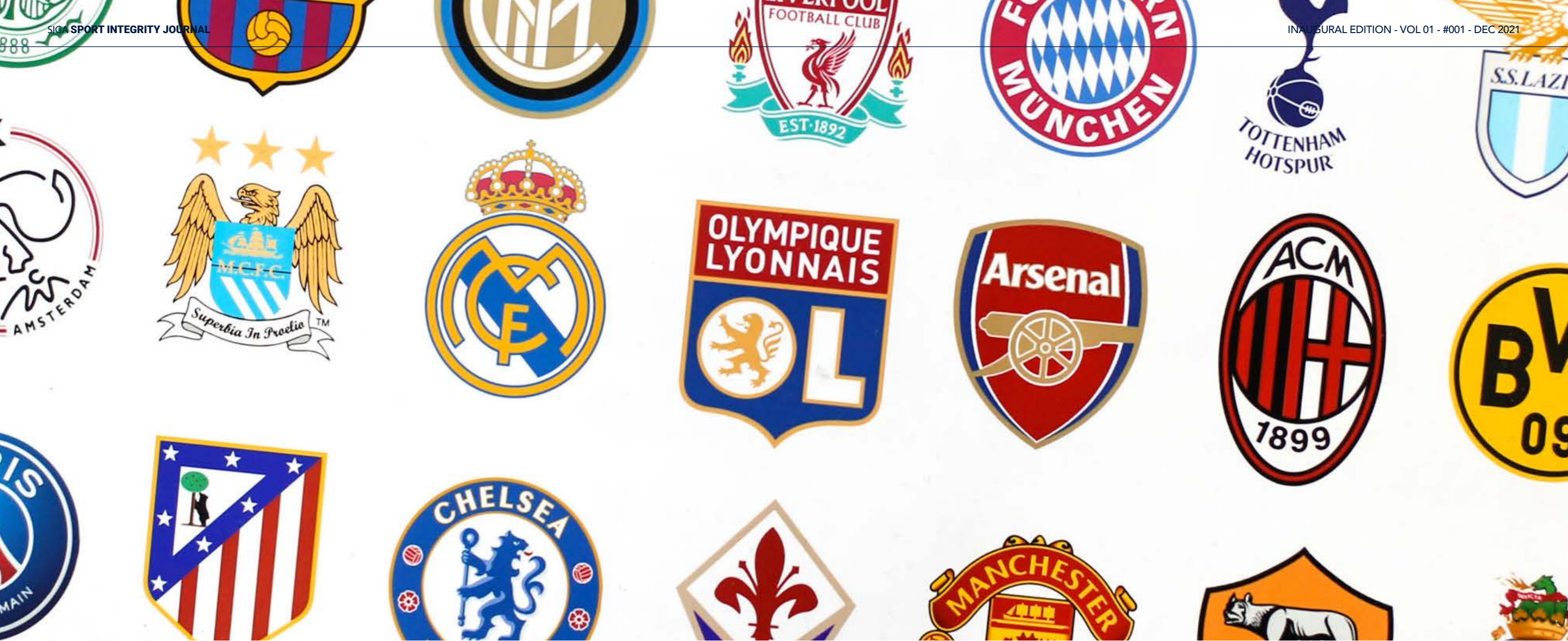
Unscrupulous criminal agents travel across Africa and the developing world, conning families and children living in poverty and desperate to better their lives. Many children are recruited into Sport academies, while others are quickly enslaved or trafficked once they arrive in Europe, Asia, or the United States. Similarly, during Major International Sporting Events criminally-organised sex networks are lured by demand and will smuggle and traffic young boys and girls to be sold daily in the thriving sex trade, including during the championships in European soccer (UEFA) or American football (Super Bowl). Too many people also continue to die as a result of labor trafficking in building Sport stadiums and facilities, as is the case in Qatar for the World Cup 2022.

In the United States, the U.S. Department of Justice this year has prosecuted retired athletes from the NFL and NBA who sought to defraud and scam their healthcare funds through false claims for reimbursement of medical expenses or medical equipment that they did not pay for or receive. Other athletes are similarly prosecuted for sexual battery and physical assault against women in both the professional leagues and at the college level. Coaches have also been charged and convicted of abusing child-

ren or involved in drug trafficking. Some were convicted of murder. In Italy and other parts of Europe, the mafia and organised crime have corrupted soccer, including by sponsoring young players and financially profiting from various business associations with teams. Extortion, money laundering, match-fixing, illegal online betting, and fraud schemes are also rife in the Sport. The Sporting environment within the Middle East and Northern African Region (MENA), with a particular focus on Tunisia, Libya, Morocco, Algeria and Tanzania, is a conduit for use as a vehicle by organised crime to manipulate Sport for the purpose of trafficking illicit drugs, money laundering, tax evasion, and financing corruption.

According to the Financial Action Task Force (FATF), soccer and other Sports are viewed as ideal vehicles for money laundering by criminals. In recent years, purchasing of football clubs in Europe or doing business with Sports teams has been a conduit for Italian, Asian, and Eurasian criminal syndicates. Teams’ executives and players alike have also reported tax evasion. This ‘Dirty Money’ finances and facilitates the corruption in Sport to continue, and to rot the integrity of the sector as a cadre of public officials continue to demand bribes for certain actions or inactions.





These criminalities have a significant impact the rule of law, democracy, economic development and the effective implementation of sustainable development goals (SDGs) including to promote peace and security, health, education, gender equality, nutrition, and many other goals. During COVID-19, criminals, putting their greed ahead of the health and welfare of people, have counterfeited myriad goods including personal protective equipment, medicines, vaccines, and

other pharmaceutical products. Fake Sport apparel and footwear are among the most lucrative goods across illicit commerce, ecommerce, and counterfeiting black markets. Given the breadth and scale of today's ills in Sport, the need for global leadership is greater than ever.

Fighting corruption and organised crime needs to be a priority in Sports. We need immediate, direct, and coordinated action across borders: kinetic, operational, and endu-

ring actions that can help to convert our political will into action to clean up Sport and to reform it. There must be more coordinated cross-border robust investigations, effective prosecutions, and dynamic asset confiscation efforts against the bad actors that continually taint the integrity of Sport.

If there is one thing that I have learned as a former U.S. diplomat, kleptocrats and criminals fear losing their stolen loot and criminally-derived assets, espe-

cially when they realise that they can no longer be protected, buy influence, or compromise someone's integrity in order to get them to turn a blind eye to criminality.

**Let's red card bad actors in Sports and ban them indefinitely.**

Let's also sanction them. Putting criminals and corrupt officials behind bars and seizing their criminally-derived assets can have a dissuasive effect, sending a strong message

that crime does not pay. Without punishing vice and holding criminals and corrupt officials accountable, organised crime will continue to pervade Sport with impunity. When taken into account alongside the array of complicit Sport organisations, federations, teams, and unscrupulous agents these actions will continue to erode Sport integrity and public trust. We must stop with the platitudes, be honest with each other, and have a frank discussion that results in action.

There is no place for corruption and organised crime in Sport. We need to ensure that noble ideals such as purity in Sport and fair play in the administration of Sport are not further corrupted or tainted by criminal influences. We must advance international public-private partnerships and regional dialogues that help inform communities on the harms, risks, and threats posed by illicit forces to our economies and communities. In the lead up to FIFA 2022 in Qatar,

I hope that the international community can have an honest discussion on how collectively we can promote the highest standards and values of honest governance and a "vision of a fair and clean future for Sport".

The positive power of Sport can serve as a force multiplier to inspire and transform societies and act as a catalyst for peace and security. We can leave a lasting legacy for our children, anchored on the universal values of honest

governance, just conduct, transparency, fair play, and the rule of law. In doing so we can build enduring public trust and confidence in the integrity, humanity, and purity of Sport. There is something to be said about strength in numbers: In joining forces, we can do more together as a team united to fight corruption and criminality in Sports.