

Sports Governance Frameworks and Corruption Behaviour: A Comparative Analysis of Governance in the All India Football Federation

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Introduction

In the twenty-first century, sport has evolved beyond athletic competition into a major global industry, employing over seven million individuals and generating an estimated USD 600–700 billion in revenue (Berkani et al., 2024). While this expansion has contributed substantially to economic development, employment, and global cultural exchange, it has simultaneously intensified ethical scrutiny and increased vulnerability to malpractice. As the economic stakes of sport have grown, so too has the concentration of power within governing bodies responsible for regulating competition, distributing resources, and enforcing disciplinary rules. In response to these challenges, international sporting institutions have developed sports governance frameworks, defined in this study as the policies, institutional structures, and regulatory mechanisms designed to oversee sport, promote accountability, and safeguard integrity.

Among the challenges these frameworks seek to address, corruption behaviour remains particularly pervasive. Corruption in sport encompasses practices that deviate from public expectations of honesty, fairness, and impartiality in sports administration and performance, including bribery, abuse of authority, and regulatory manipulation (Masters, 2015). The persistence of such behaviour has raised fundamental questions about the effectiveness of governance reforms and the institutional conditions under which corruption thrives.

This thematic lies at the intersection of sports governance and economics. Sports governance provides the institutional lens necessary to analyze accountability mechanisms, regulatory structures, and decision-making processes within sporting bodies (Forster, 2016), while economics complements this perspective by explaining incentives, rational behaviour, and cost–benefit calculations that influence corrupt practices (Becker, 1968; Andreff, 2011). Although international federations such as FIFA and the IOC have attracted substantial academic attention, governance failures in emerging sporting economies remain comparatively under-examined. This gap raises broader questions about whether existing governance frameworks function as effective tools for corruption mitigation or merely as symbolic reforms.

This paper, therefore, examines how sports governance frameworks affect corruption behaviours through a comparative governance analysis using the All India Football Federation (AIFF) as a case study. First, this paper will discuss the evolution of sports governance frameworks and understanding corruption in sports, followed by analyzing the application of the former within the context of the rectification of the latter. The paper will then present the subsequent case study of corruption within the AIFF (All India Football Federation) and analyze the effectiveness of governance in the status quo. Finally, 3 recommendations combining policy and macroeconomics will be drafted as potential recommendations for the principal example and as a simultaneous general framework for solvency.

Background and Significance

Historically, sports governance emerged from amateur associations governed by informal norms, volunteer leadership, and social trust. Early governance structures prioritized autonomy and self-regulation, reflecting the non-commercial nature of sport and the belief that sporting values alone could ensure ethical conduct (Forster, 2006). During this period, governance arrangements were shaped more by cultural and philosophical ideals than by codified legal or regulatory systems, leaving structural gaps that were largely inconsequential in a low-revenue environment (Andreff, 2011).

From the late twentieth century onwards, however, rapid professionalization and commercialization rendered informal governance systems increasingly inadequate. The growing complexity of financial

flows, stakeholder relationships, and regulatory responsibilities required more formalized governance arrangements. Consequently, sports organizations began adopting principles derived from corporate governance theory, particularly accountability, transparency, and fiduciary responsibility (Fama & Jensen, 1983), marking a shift from trust-based governance toward rule-based oversight.

A major catalyst for global governance reform was the establishment of the World Anti-Doping Agency (WADA) following widespread doping revelations during the 1998 Tour de France. WADA represented one of the first attempts to create a transnational regulatory authority capable of coordinating policy implementation across national jurisdictions (Hanstad, 2008). Subsequent scandals, including the 2015 FIFA corruption case, further intensified reform efforts and prompted focus upon implementation through works like Transparency International's Global Corruption Report: Sport (2016) and the UNODC's Global Report on Corruption in Sport (2021).

Despite these developments, sports governance still remains structurally distinct from corporate or public governance. International federations often function as monopolistic regulators with limited external oversight, creating conditions conducive to regulatory capture and moral hazard (Andreff, 2011; Pielke, 2013). As a result, governance reforms have frequently focused on formal compliance rather than enforcement capacity or institutional resilience.

Coming to the other side of the thematic, corruption in sport encompasses a wide range of behaviours, including bribery, embezzlement, vote-buying, match manipulation, and abuse of regulatory discretion (Maennig, 2005). From an economic perspective, corruption arises when the expected benefits of misconduct exceed the expected costs, particularly in environments characterized by weak monitoring, limited transparency, and low sanction probability (Becker, 1968). Principal-agent theory provides a useful framework for understanding corruption in sports governance. Governing officials act as agents for diffuse principals, athletes, fans, clubs, and sponsors, whose interests are difficult to coordinate and monitor. This dispersion of accountability increases moral hazard, especially when agents control both regulatory and commercial functions (Fama & Jensen, 1983; Rose-Ackerman, 1999). In such institutional settings, rent-seeking behaviour becomes rational when officials can extract private benefits from control over scarce sporting resources such as hosting rights or funding allocations.

Literature Review

Within modern discussion upon the thematic, there lie two schools of thought - correlation, which states that the level of sports governance does not act as a direct driving factor affecting corruption, while causation naturally states the opposite, and contends that robust governance reforms (ex: transparency rules, independent audits, ethics codes) directly reduce corruption in sports organizations. Proponents argue that formal compliance and enforcement mechanisms foster oversight and accountability - for instance, interviewees in Philippou's (2021) study, for instance, stressing the need for rigorous oversight and severe penalties to make reforms effective.

Consequently, in recent years, scholars have been working on finding a concrete measure to classify "good governance." While there is no one-size-fits-all criterion, the regulatory framework must nevertheless be complemented by sports-specific rules and regulations that protect athletes, guarantee the integrity of sports events and social and environmental responsibility, and introduce strict control mechanisms on the allocation and use of development funds (Mogens, 2018).

In this section, I will introduce three key governance framework measurements that have been utilized in various established sport setups. First, the Play the Game's National Sports Governance Observer uses a nation-curated scale to measure each aspect (Phillipou, 2021): Transparency and Public Communication, Democratic Processes, Checks and Balances, and Solidarity. Each of these scales uses 10 indicators to address different aspects within each component, and each of said indicators measures the governance body's efficacy within that specific field on a scale of 1-5, with related descriptors being attached to each numerical value (Geeraert 15).

Second, the BIBGIS (Basic Indicators for Better Governance In Sports) is an evaluation scale developed by scholars Chappelet and Mrkonjic (2013) in applied research. This scale builds upon various preceding governance compliance measurements and utilizes seven key indicators - organizational transparency, reporting transparency, stakeholders' presentation, democratic process, control mechanisms, sports integrity, and solidarity (Chappelet & Mrkonjic, 2013). Each indicator is awarded a score between 0 and 4, with the descriptor linearly progressing from no fulfillment to the indicator being fulfilled in a state-of-the-art manner (Chappelete & Mrkonjic, 2013).

Third is Perez's Model of Governance, which uses a hierarchical pyramid to evaluate the structural functioning of governance. This model utilizes five sets of questions in the governance structure - 1. Who manages the organization day-to-day?, 2. Who manages the managers?, 3. Who manages the managers' managers? 4. Where can decisions be appealed?, and 5. What legal framework(s)? (Routledge Handbook of the Olympic and Paralympic Games, 2018). While not quantitative in nature, this model has two functions: a) to help governance bodies understand if they have measures/bodies in place to adhere to each question, and b) to evaluate whether said bodies/measures are functional and efficient, which may help in future solutions. These frameworks not only emphasize the existence of such formal regulation in the status quo, but also further highlight their impact through widespread usage of these models in different large organized sporting events.

The correlation school, on the other hand, contends that these reforms are largely symbolic, and corruption persists regardless of these implementations. Yiapanas (2025), for instance, observes this paradox, noting that recurring scandals suggest many reforms "frequently serve as symbolic gestures rather than enforceable mechanisms". Another key contention that this school proposes is that, fundamentally, sports governance frameworks are naturally susceptible to corruption and scandals, which I will illustrate using three key points. First, decision-making authority is frequently concentrated among a small group of officials. Applying Pérez's governance model to the IOC, for example, reveals that authority is largely centralized within the Executive Board and administration, limiting democratic participation (Chappelet, 2017). Second, financial flows in sport are large and opaque; the global sports market exceeded USD 141 billion in 2015 and now approaches USD 600–700 billion (PwC, 2011; Berkani et al., 2024), with such complexity increasing opportunities for financial misconduct. Third, internal accountability mechanisms often lack independence, while external oversight remains minimal, creating systemic moral hazard (Pielke, 2013; Eskeland, 1999). Consequently, these vulnerabilities generate tangible economic consequences, including reduced investment, increased transaction costs, distorted competitive balance, and eroded consumer confidence, ultimately threatening the sustainability and legitimacy of sport (Andreff, 2011).

A key example of this malpractice is within Indian football. Football governance in India is overseen by the All India Football Federation (AIFF), founded in 1937 and affiliated with FIFA since 1948 (AIFF, n.d.). Historically, AIFF governance has been characterized by political influence, bureaucratic inefficiency, and limited long-term planning, contributing to stagnation in international performance (Patil et al., 2025). The introduction of the Indian Super League (ISL) marked a significant commercial shift but also introduced a hybrid governance arrangement: a private entity (Football Sports Development Ltd., backed by corporates) ran the league in partnership with AIFF, leading to ethical scrutiny from the national football community. The breaking point in governance, however, was during the 2022 crisis, when the Supreme Court of India removed AIFF President Praful Patel for overstaying his term and installed a Committee of Administrators. FIFA viewed this as third-party interference and imposed a suspension, revoking India's right to host the 2022 U-17 Women's World Cup (Patil et al., 2025). Although the ban was lifted following elections, the episode exposed deep structural fragility within Indian football governance and foreshadowed what was to come.

Recent evidence indicates persistent dissatisfaction with AIFF governance. A 2025 survey reported that over 85% of stakeholders perceived political interference and favouritism as major impediments

to Indian football, while more than 70% expressed dissatisfaction with transparency and accountability (Patil et al., 2025). Perhaps the most damning indictment of AIFF's governance, however, failure culminated in late 2025 when the ISL was suspended after AIFF failed to secure a commercial partner following contract expiry. In early 2026, leading players publicly appealed to FIFA, stating that Indian football governance could no longer fulfil its responsibilities and warning of "permanent paralysis" (Indian Express, 2026). Such escalation to international authorities signals a severe institutional breakdown (Pielke, 2013). This case study is a key example of how these frameworks, despite their intricate nature, high-level establishment, and harsh penalizing mechanisms, may not be implemented properly and are, in fact, susceptible to different levels of institutional corruption.

I will now apply the previous measurements of governance frameworks to the case study of the AIFF to analyze its overall performance based on these metrics. First, applying the SGO framework, AIFF scores low-moderate on transparency, moderate on democratic processes, low on checks and balances, and low-moderate on solidarity, indicating formal compliance undermined by weak implementation. Second, using BIBGIS, AIFF scores 2/4 on organizational transparency, 1/4 on reporting transparency, 1/4 on stakeholder representation, 2/4 on democratic process, 1/4 on control mechanisms, 2/4 on sports integrity, and 1/4 on solidarity. Finally, utilizing Pérez's model, governance failure is evident across operational, supervisory, appellate, and legal levels, highlighting systemic rather than isolated deficiencies. By analyzing the performance of the AIFF across these different measurement mechanisms, one persisting issue is clear - the AIFF has governance measures, but they are often not implemented.

This is not just a solitary instance, as it highlights a vast debate within academia on the issue of causation vs. correlation between governance frameworks and corruption. This debate essentially ponders whether sports governance frameworks are truly the normative and critical change behind corruption, or rather, they serve as a symbolic method that is unable to combat this malpractice. While there may be certain strengths in sports governance frameworks, such as harsh reforms sometimes yielding fruitful results, with rigorous oversight and severe penalties having the ability to make reforms effective (Phillipou, 2021), ultimately, with numerous cases of ineffectiveness and an unprecedented growth in corruption scandals, these repeated incidents suggest many reforms "frequently serve as symbolic gestures rather than enforceable mechanisms" (Yiapanas, 2025). Overall, there is no question regarding the intention behind sports governance frameworks, yet given the weak enforcement and implementation of these reforms, as well as recurring scandals in recent times, with corruption worth nearly \$1.7 trillion (UNODC, 2021), there is no doubt that there are inherent flaws within the method in the status quo, and it might be time to alter the approach to governance in sports.

Although both schools contend structured arguments with quantitative and qualitative data, there are two key gaps that remain consistent throughout the status quo debate within academia. First, many studies do not take into consideration the Global South. Bibliometric analyses show that most publications on sports ethics and governance come from North America and Europe, creating a significant geographical imbalance, with research from the Global South rendered as underrepresented (Li, 2025). As a result, the unique governance and corruption challenges in developing countries, emerging sports markets, or non-Western cultures are little understood. For example, issues like governance models in African or Asian sports federations, or corruption dynamics in countries with a weaker rule of law, receive scant attention. This gap is critical, since corruption risks and effective accountability mechanisms can vary greatly across cultural and institutional contexts. Second, there is a lack of macroprudential integration. A microprudential approach is one in which regulation is partial equilibrium in its conception and aimed at preventing the costly failure of individual financial institutions. By contrast, a "macroprudential" approach recognizes the importance of general equilibrium effects and seeks to safeguard the financial system as a whole (Hanson et al., 2011). As seen within both schools, regulatory mechanisms do exist, but they often lack scope and are applied only to specific governance bodies, without systemic considerations. It is simultaneously imperative

to note that these sports governance mechanisms should not be regarded as solely symbolic tools, as stated by School Correlation, but they do hold value in upholding the integrity of the game. Therefore, integrating macroprudential frameworks within sports governance in the status quo may seek to serve as a mechanism of solvency. To illustrate this potential, I will apply the case study of macroprudential regulators in finance. Effective macroprudential intervention in financial markets reduces the likelihood and intensity of systemic financial distress. With more stability in those markets, intermediary financing to nonfinancial firms is more stable as well, as is aggregate output (Van der Ghote, 2021). For example, in a study that analyzed the effectiveness of macroprudential governance in financial systems in 65 nations from 2000 to 2016, it was found that macroprudential policy was highly effective in preventing banking crises through regulatory mechanisms (Nakatani, 2020). Therefore, utilizing a macroprudential governance framework within sports governance may help in institutional maintenance, along with mitigating the risk of systemic failure.

Research Question

In order to combat the overarching gaps aforementioned, the research question put forth for this research paper is: To what extent can financial governance mechanisms, such as early-warning systems, functional separation of authority, and continuity obligations, be adapted to sports governance to mitigate corruption and institutional fragility in organizations like the AIFF?

Argument

After taking into consideration the aforementioned strengths and limitations of existing structures within sports governance, this paper proposes a set of three solvency mechanisms linked within the disciplines of financial governance and systemic risk governance, wherein mechanisms used for financial solvency will be applied within the sector of sports governance.

1. **Early-Warning Systems and Regulatory Triggers:** A central feature of macroprudential financial regulation is the employment of banking regulators. Their usage has substantially enhanced risk management practices, capital adequacy, and transparency, thereby strengthening institutional resilience and financial system stability (Agarwal, 2025). Applied to sports governance, early-warning indicators would monitor governance stress points such as unresolved commercial contracts, delayed competition calendars, litigation exposure, and repeated stakeholder grievances. Upon a threshold breach, regulatory triggers, such as mandatory mediation, independent oversight activation, or temporary administrative intervention, would be activated for a set timeframe.
2. **Functional Separation of Commercial and Regulatory Authority:** Financial regulation places a strong emphasis on separating entities responsible for marketing and bodies responsible for oversight, making it a critical component in ensuring that governments and taxpayers are not saddled with a huge bill bailing out banks in the future (Finance Watch, 2013). This paper proposes a clear institutional separation between regulatory authority and commercial league operations, with the federation acting as a supervisory regulator rather than a commercial counterparty. Commercial entities would operate leagues under licensing conditions set and enforced by an independent regulatory unit, thereby reducing opaque decision-making.
3. **Continuity-Of-Competition Obligations:** A defining principle of functional efficacy within crises is the imposition of continuity obligations on systemically important institutions. Continuity obligations are imperative, as compliance safeguards financial institutions from penalties and operational disruptions through stringent risk management and transparent reporting (Alexandra, 2025). This solution argues that governance bodies incorporate legally binding continuity-of-competition obligations. Federations would be required to maintain contingency mechanisms, such as interim operating arrangements or escrow-backed league funding, to ensure that competitions proceed even amid governance disputes or commercial renegotiations.

The biggest counterargument one might contend against these proposals would be that in politically

captured environments like India, structural regulation and change are infeasible because entrenched interests will resist relinquishing control, and oversight bodies may themselves be compromised. However, it is imperative to note that macroprudential regulations do not serve in the interest of fostering an apolitical environment, but rather place institutional thresholds that serve as a method of systemic failure mitigation. For instance, financial reforms made in the politically volatile financial sector following the 2007/2008 global crisis have strengthened financial standards with a comprehensive practice, without making any division in the international financial system (Balseven, 2016).

Overall, these mechanisms not only provide solvency within the identified problems regarding the AIFF but also further address the key objective of sports governance frameworks. Frameworks are not solely designed for symbolic evaluation, but they are pivotal within emergencies, and only through risk management and regulatory triggers will this functional stability then be achieved.

Conclusion

In conclusion, this paper evaluated the impact of sports governance frameworks on corruption behaviour, through a comparative analysis of the AIFF, and overall evaluation of the former's impact on the latter. At the end of the day, governance frameworks have converged around shared principles, but implementation gaps persist, with the Indian football crisis illustrating how governance instability can impose immediate economic and social costs. For solvency, adapting regulated autonomy from financial governance offers a pathway to curb corruption risks by aligning incentives and strengthening enforcement. It is still imperative to keep in mind, however, that the politically volatile environment may not easily integrate this macroprudential framework, and implementation hurdles may be outweighed by financial incentives. In such situations, official authorities must emphasize monitoring mechanisms in order to ensure sustainable development for every stakeholder.

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