

MONEY, MONEY, MONEY.

The Truth Behind Insane Transfer Fees

AZMIN AZRAN

Transfer business has gotten a little crazy in the last couple of years. With too much money being splashed around and not enough logic behind it, it's natural to wonder what the hell is actually going on and why they're killing the game we love.

A number of factors contribute to the astronomical amounts being paid for players these days. The transfer fee is paid as compensation to the selling club by the buying club for the services of a player. In an ideal world, the things that should determine a player's value is his skills and his record. But in reality, the factors that drive a player's value upwards include things like his agent's cut, a third party owner, the financial stature of the clubs involved and of course, the buyout clause.

The buyout clause is a way for clubs to ensure that players don't leave at a price lower than what the club wants, and a player's way of ensuring that he's sold if another club comes looking with enough money. Clubs sign young, talented players at minimum costs, and their contracts invariably include a huge buyout clause.

Athletic Bilbao's Aymeric Laporte is a young (21) and promising centre back, a rare combination. Although his buyout clause is somewhere around 50 million euro, one day someone will eventually think he's worth that and pay 50 million, which for a defender in his early twenties, is way too much.

According to a FIFA statistic revealed in 2013, 28% of all transfer fees in the market goes to the agents. That is an alarming piece of information because agents are

responsible for almost all sort of monetary transactions in football. They get a direct cut from the transfer fees and it's obvious that agents use the huge influence they have in modern football to funnel in more money into deals than necessary.

Third party ownership in football has created many fiascos, like when Carlos Tevez wanted to leave West Ham but couldn't. A company or a firm may hold the rights to a player and when that player moves to another club, that firm gets compensated. FC Barcelona found themselves in a sticky situation when they claimed in their tax returns that a 57 million euro transfer fee was paid for Neymar. But Santos, Neymar's previous club, claimed that the amount was much less. It later turned out that 40 of the 57 million paid for Neymar went to a firm called N&N, registered to Neymar's father.

Despite all this, what often determines the value of a player is how much a club wants a player. Raheem Sterling is probably not worth 49 million pounds but Manchester City desperately needed a young English player. On the flipside of this very expensive coin, Yohan Cabaye, a highly rated midfielder, was sold for a mere 10 million pounds to Crystal Palace, simply because PSG wanted to get rid of him. Both these players were evaluated unreasonably and that's common practice in football these days.

The growth of football as a business has helped a lot of parties. Many clubs have grown rich and they have

employed staff and players at impressive salaries, creating jobs and contributing to the econ-

omy. But erratic spending in the transfer market still harms football because not enough clubs can cash in, and for the ones falling behind, it's nearly impossible to make a comeback. Former English champions Leeds United found that out the hard way, and if this goes on, many more clubs will follow the same fate.

When he's not obsessing over football, Azmin spends his time devising ways of not getting mugged, only to fail miserably. Give him advice at fb.com/azminazran

