

ABSTRACT

Title: Competitive balance in European football leagues before and after the implementation of Financial Fair Play

Objectives: The main objective of this bachelor thesis is a analysis of competitive balance in top 5 European football leagues. Specifically the English league, Spanish league, German league, French league and Italian league.

Methods: Using the Lorenz curve of the amount of teams on top 3 league positions. The Lorenz curve is used in economics to measure income inequality in individual countries. In the sports environment, it is used to measure dynamic competitive balance, especially in the long period of time – during several seasons, when teams advance or relegate between competitions. This thesis deals with the 7 season time horizon before the introduction of Financial Fair Play and 7 seasons after the introduction of FFP. This method was used for the first time in the early 1990s.

Results: The result of this thesis is a measurment of dynamic competitive balance of top 5 European football leagues before and after the implementation of Financial Fair Play. The biggest dynamic competitive balance had been measured in Bundesliga, the second biggest in Ligue 1, at the third position was Serie A, fourth was Premier League and last one was La Liga.

Key words: Football, Financial Fair Play, Lorenz curve, league market value, dynamic competitive balance.

