As English football fans took to the streets to celebrate the national team's victories in the World Cup and then mourned losing to Croatia, it's worth reflecting on the state of English football in a post-Brexit world. For some, the prospects are good if the flood of foreign-born players dries up and local teams are again made up of locals, writes Tom Cannon.

Research by International Centre for Sports Studies (CIES) shows that almost two-thirds of players in the top flight on English football were born outside the UK, far ahead of Europe's other major leagues. Hardly consistent with Football Association's original aim in creating the Premier League, to improve the England team by nurturing local talent. Players from other EU countries – notably Spain, Netherlands, France, Belgium and Germany – dominate, but there are now almost as many players from across the EU as English players in the Premiership. For the leading clubs, the impact of any restrictions will probably be small. Their squads feature current internationals such as Ge Gea, De Bruyne, Lloris, Lukaku and Ozil, all of whom would meet current international and likely future requirements that allow players from across the world to play in the UK. It would, however, be harder for clubs like Leicester City to build title-winning teams around uncapped players like Riyad Mahrez and N'Golo Kanté.

Research by Cohen and Couse suggests that the crunch will come around the ability of English clubs to recruit younger players from elsewhere in Europe. FIFA prohibits international transfers of players under the age of 18, but there is an EU/EEA-specific exception to that rule which admits young players like champions Manchester City's Iker Pozo, recently promoted Fulham's Jose Garrido, Aston Villa's Dimitri Sea, Sunderland's Rayed Derbali and a host of others across the English leagues. For young English talent, and for clubs outside the top flight able to nurture that talent, the Brexit gains may be considerable. Until the wealth of the Premier League made recruitment of the best talent possible, especially from Europe, internal domestic recruitment led to lower league clubs benefiting from significant funds from transfers. Several EU linked events, most notably the Bosman ruling and the European Court of Justice challenge to the FA's limitations on the use of non-British players changed this.

The change was dramatic. Between 1991/92, the last season before the creation of the Premier League, and 1993/4, the last Pre-Bosman year, clubs in the top flight spent between a quarter and a third of their – much smaller – transfer budgets on players from lower divisions. In 2017, however, Premier League clubs spent over €1bn on players from across the EU but less than €50m, or 5%, on players from England's lower divisions, and even less from elsewhere in the UK. Even a small shift towards the Pre-Bosman situation could transform the finances of clubs in England's lower divisions. Research by Platts and Smith suggests that with a percentage dropout rate in the high 90s from academies, and the likes of Harry Kane missed by the Arsenal academy, there will only be a tiny impact on first team squads.

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Beyond the playing squad, tough questions exist around the coaching and technical staff at leading clubs. Chelsea’s Antonio Conte, as a former Italian team manager, might have no problem satisfying the requirements for a visa and work permit – but would all his technical team? Conte’s successor Maurizio Sarri poses a trickier question, while Marco Silva, Mauricio Pellegrino, Carlos Carvalhal, Javi Gracia and others along with their technical teams might struggle. Despite the grumbles of some club owners, there are few signs that initial fears about the impact of a weaker pound are taking place. The most recent TV deals fell short of the massive increases of recent years, but still reflect the importance of English football to subscription TV. Amazon’s entry into the Premier League broadcast market reinforces that picture.

There may be lessons for the wider economy and hopes that generous trade deals with the likes of China and the USA will soften the longer-term impact of Brexit. English football has cut early deals with the type of US and Chinese investors expected to deliver this Brexit dividend. So far this has not been the case. Clubs like Arsenal, Sunderland, Aston Villa have seen few benefits from US or Chinese investors. Even the likes of Manchester United and Liverpool find that US owners invest for economic reasons, not sentiment.

For some, there appears to be a wider impact. Once top-flight clubs are paying a Brexit price already: every team relegated from the Premier League this season has come from a Brexit supporting city, while Remainer cities – Manchester, London and Liverpool – dominate the top flight. Sunderland, the first and possibly proudest, city to vote Leave has seen its local team tumble down two divisions while Remainer voting near neighbours Newcastle have secured their top-flight status.

This post represents the views of the author and not those of the Brexit blog, nor the LSE. It first appeared on the UK in EU blog.

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