

Remembering Stefan Kesenne (1950-2021)

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Abstract

Stefan Kesenne has died on June 21, 2021. Dr Kesenne was an emeritus professor at the University of Antwerp and the University of Leuven. He will be remembered as an inspiring, honest, and courageous man with strong ethical convictions. His groundbreaking research and unwavering support for the academic community will leave a permanent mark on the sports economics research landscape.

Keywords

Stefan Kesenne, obituary

Stefan was born on April 18, 1950, in Heusden, a town in the eastern Belgian province of Limburg. His father was an accountant, while his mother retired from teaching elementary school to look after Stefan and his three brothers and two sisters. Stefan went to boarding school at the college of Saint Francis in Berkenbos. After graduating high school, he majored in economics at the University of Leuven.

In 1973, Stefan started working as a research and teaching assistant at the Univesitaire Faculteit Sint Ignatius Antwerpen (UFSIA), which would later become the University of Antwerp. During his “assistantship” in Antwerp, he pursued a PhD at the University of Leuven under the supervision of the well-known econometrician Anton Barten, a close collaborator of Nobel Prize winner Jan Tinbergen. Stefan’s early research focused on the econometrics of time allocation models. For his first international publication in *European Economic Review* (Kesenne, 1983), he used Belgian data to estimate the wage and price elasticities

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of leisure consumption goods and leisure time. Decades later, he would still recall to this laptop-spoiled PhD-student how he used punch cards to calculate these 10 precious coefficients on a room-sized computer. After his PhD, he got a permanent position at UFSIA teaching econometrics, labor economics, and, as soon as it became a field in its own right, sports economics.

Over time, Stefan's research increasingly focused on the economics of sports. He produced a series of studies on pricing and participation in amateur sports, mostly published in Belgian and Dutch policy journals. An early paper written in English estimated an attendance demand model for Belgian club football (Janssens & Kesenne, 1987). His coauthor on this study, Patrick Janssens, later went on to become the CEO of Belgian football champions KRC Genk (and mayor of Antwerp). In the early 1990s, Stefan advised the legal team of a little-known Belgian player, Jean-Marc Bosman. His research was cited by the Advocate General of the European Court of Justice, whose ensuing ruling would end up reshaping the European football industry.

At this point, Stefan started writing a series of theoretical papers, which would equally reshape the field of sports economics. The recipe was always the same:

- Start with a small set of intuitive assumptions.
- Bring them together in a deceptively simple model.
- Introduce an interesting league policy to analyze.
- Work out the model to its logical conclusion and interpret the results.
- If possible, bring in a dataset to illustrate the main theoretical insights.

One of Stefan's most profound innovations came in one of his earliest papers. While sports economists in the United States had conventionally modeled team owners as profit maximizers, European economists were reluctant to adopt this approach for European football clubs because all over the continent, various types of not-for-profit ownership were the norm. Yet, the "utility maximizing" hypothesis suggested by Peter Sloane was too intractable for theoretical modeling. In his 1996 paper in the *European Journal for Sport Management*, now known as *European Sport Management Quarterly*, Stefan advanced the hypothesis of win maximization, which soon became a standard assumption adopted in most of the theoretical literature (Kesenne, 1996).

Two further papers from this series, both published in the year 2000, were instant classics and are among Stefan's most cited articles. In the *Scottish Journal of Political Economy*, he showed the beneficial effects of salary caps on competitive balance (Kesenne, 2000a). In the inaugural issue of *Journal of Sports Economics*, he examined how different club revenue functions impact on the effect of revenue sharing on competitive balance (Kesenne, 2000b). For both utility and profit-maximizing clubs, Stefan found that sharing improved the competitive balance in a league. This finding presented a direct challenge to the *invariance proposition*, which held that competitive balance is unaffected by revenue sharing. Four years

later, Stefan teamed up with Stefan Szymanski to deliver one of the most thought-provoking insights sports economics has produced to date: revenue sharing *decreases* competitive balance in a league with profit-maximizing clubs (Szymanski & Kesenne, 2004). The intuition for this counterintuitive result is that small market clubs decrease their talent investments more because for them the shared revenues from the large clubs' home markets are relatively more important, and hence they have stronger incentives not to "hurt" these revenues through talent investments. Despite its apparent simplicity, the paper fired up an intense debate in the academic literature, mostly because the "two Stefans" introduced the use of Nash conjectures, standard in IO models, to the analysis of sports leagues.

Over the following years, Stefan kept using his theoretical framework to tackle other league policies and he elaborated further on the original findings he had uncovered. This culminated in his undergraduate textbook (Kesenne, 2007), which saw its second edition in 2014. In parallel, he produced a string of papers, often alongside Marijke Taks, looking at the economic significance of sport in society (Taks & Kesenne, 2000) and the economic benefits of sport events. Also in his work on events, Stefan first worked out the theory (Kesenne, 2005) and then applied it in a dataset to illustrate the main theoretical insights (Taks et al., 2011). Stefan argued passionately for the use of cost-benefit analyses over economic impact evaluations. In his view, event analyses should always consider consumer surplus as well as all opportunity costs, because this is the only way to hold sporting authorities accountable for all societal consequences of sports mega events.

This commitment to social justice was vintage Stefan. He taught in Kenya for many years as part of the University of Antwerp's development program. Passionate for adventure, he would use every trip to Africa as an opportunity to explore the nature reserves, often all by himself. Against the advice of his hosts, he would also venture into the slums of Nairobi and stay in local guesthouses using the money he saved on the hotel to go on safari. On top of countless anecdotes, these trips earned him a participation in a travel company, which he started with a local guide he met on one of his trips. Stefan also put his commitment to sports participation into practice. He was an avid volleyball player, skier, alpine climber, and wind surfer. Moreover, he organized skiing and climbing trips in the Alps. Personally, he was a shy man, never pushing himself forward, and always kind and considerate toward others. He was very honest and one of the few things that would make him angry was getting the feeling that others were not. Using his dry sense of humor, he could tell a very funny story, often at his own expense. A classic in this genre was the tale of how he got stuck on a mountain ridge in the Rockies unable to remember which path he took to get there. Coming from a conference, he had no climbing gear and was simply wearing running shoes and a summer outfit. Through a lucky encounter, he made it down before darkness fell.

Eager to make the young research field grow, Stefan supported the academic organization of sports economics in every possible way. He was a founding member of both the International and European Association of Sports Economics. For many

years, he served on the editorial board of the *Journal of Sports Economics* and the *European Sport Management Quarterly*. He helped Placido Rodriguez with the organization of the legendary workshop series in Gijon, serving as editor for the conference proceedings. Together, Stefan and I hosted the European Conference in Sports Economics in 2014. I am certain that seeing more than 150 sports economists from all over the world gather at “his” University of Antwerp was a very proud moment for him.

Sadly, Stefan’s health did not always keep up with his high ambitions. He had enduring heart problems and his hearing on one side had gone. In 2008, he suffered a stroke while teaching econometrics. The swift reaction of his students prevented a worse outcome that day. Stefan himself considered these setbacks to be minor hindrances and, through sheer determination, he managed to get back to teaching, research, and sports. We celebrated his official retirement with a small colloquium in Antwerp, but Stefan was clearly not intended to stop his research any time soon. In the end, he died from a heart attack while cycling in the shadow of the mythical Mont Ventoux in Saint Pierre de Vassols, France. Stefan is survived by his wife Betty, two daughters An and Nele, and five grandchildren.

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