To Austrian Chess Federation

Dear chess friends,

I am enclosing you below, the answers to the questions which you kindly send to my campaign email last month. I would like to thank you for giving me the opportunity of expressing the views of my team and myself.

1) How should FIDE be financed in the future?

It should be noted that today, there are two main philosophies concerning the financing of FIDE.

a) A philosophy which represents my opponents camp. Revenues can pour in FIDE regardless of where the money comes from and irrespective of what will be signed over as an exchange, as far as the politically independent function of our organisation is concerned. Under the philosophy "money for control" the self- funding of FIDE should be downscaled, so that external funding and the individuals or countries which guarantee funds, can ultimately become dominant controllers of FIDE. In the same time, in the case of a non- independent FIDE, what will inevitably occur is the shut-off or the rupture of our relations with organizations such as IOC, which has principles of Good Governance and which ensure the politically independent function of international and National Chess Federations. The unpleasant and undesirable practice "money for control" is, in this case, the main philosophy, and I trust that you are aware of the current situation where dozens of National Federations and delegates receive significant offers for sponsorships, with the condition in most cases to change the delegate who will vote in Batumi.

b) The second philosophy– which I believe and my team represents -is based first and foremost in the self-funding of FIDE which can guarantee the political and financial independence of the organisation.

How can this be achieved?

FIDE has the possibility and must generate a series of services which will initially address to hundreds of thousands of people around the world with the aim of approaching several millions who will benefit from these services. Capitalizing on the internet is a basic requirement in this case and it is necessary to develop a platform specialized to provide the needed services, such as;

• Concerning each federation, there should be devised an individual action plan, in accordance to the specific needs and the singularity of each country, as well as the level of development of the respective federation. There are many developing federations which need such help and we will create seminars for the education of the officials of the national chess federations, where needed. This assistance must be offered for free and the same applies to anything similar provided to the federations. The rest of the services which will be addressed to the vast chess market, and which will be paid directly by chess fans from all around the world, will bring funds both to FIDE and the National Chess Federations.

These services include, but are not limited to;

- Seminars for the education and development of the capabilities of trainers, arbiters, tournament organisers.
- Lessons for chess players from specialized trainers, special subjects on chess openings, tactics, endgames, strategical chapters, electronic chess books, etc.
- Interactive chess lessons for beginners in a multitude (20-30) of languages. The 1st level of lessons will be free and will have as an aim to attract hundreds of thousands or even millions of interested chess fans. Those who will be passing the final tests of the 1st level and will wish to progress to the 2nd level, receiving online an elegant diploma, will have to pay 5-10 euros. The same will apply for progressing to the 3d and 4th level etc.

The profit for worldwide chess will be guaranteed even if only a small number progresses to the 2nd level as long as each year a significant number of chess fans try to pass the 1st level. Because even in this case, the hundreds of thousands which will be visiting the platform each year will also be building closer ties with chess, the National Chess Federations and FIDE.

- A special edition of an online, high-quality chess magazine, in many languages, which will be offered for free to the subscribers and its revenues will be ensured by the advertisement.
- Distribution of chess material and merchandise, in cooperation with companies which produce such products, National Federations and major event organisers.
- Rapid and blitz games, in cooperation with all major websites which include a chess arena and have a secure anti-cheating system. The games will be in regional, national, continental and worldwide

level. The rating will be universal through all the platforms and official for FIDE. The same will apply regarding titles. The official championships will take place online with the participation of large numbers of players and potentially, the final phase will take place in special venues with all the finalists being present.

• School online games and activities for students. Chess in schools is not only the essential and indispensable path for developing chess but can also constitute a significant source of income (provided that appropriate services are made available), for FIDE, for the National Chess Federations and for any other entities which are involved in the development of chess in schools.

These are just a few out of the many ideas which we have for self - funding through the internet, and FIDE will share its net income with the National Chess Federations of the countries where the revenues derived from and the rest revenues will be reinvested for self-financing and federation development.

It should be noted, that there are many chess websites which claim that they have more than 10.000.000 registered members and on our research regarding how many people have chess as their interest on facebook, for example, the number exceeds 30.000.000. This is the first tier of people that we will address to for all these programs.

In more general terms, FIDE must leverage chess in schools, develop suitable programs and achieve a broad cooperation between the different programs that are running today in a continental, national or even club level, from official chess entities or private enterprises. FIDE has the possibility of attracting worldwide or regional sponsors and by withholding a minimum percentage from the net revenues, can reciprocate the rest to all interested parties involved. Although FIDE wishes to work together with all the federations in chess in schools such a close collaboration has always to be lead by the federations itself since each of them might have particular demands.

World Championship Cycle

The opinion that the World Championships of FIDE can be the source for the main incomes of FIDE is unfortunately wrong. The organising cost of such championships is huge and the demands of the topplayers for bigger prize money are constant and pressing. Nevertheless, the income of FIDE from the World Championship Cycle sponsorship agreement will be increased (at least and comparing to the years 2015- 2018) by 1.700.000 euros during the years 2019-2022. A significant increase in the revenues of FIDE is expected, as a matter of fact, from the possibilities which can occur for cooperation with sponsors from Western Europe and the US, provided that the next FIDE President is not related to any US sanctions lists. Thus, we should not forget that Mr. Dvorkovich is in the pre-sanctions list. (<u>https://edition.cnn.com/2018/01/30/politics/full-us-list-of-russian-oligarchs-with-putin-ties-intl/index.html</u>)

So, FIDE, in order to further increase both the prize money for the players and its own revenues, for the World Championship Cycle, must also improve quite significantly the level of the tournaments in organization terms and the product which offers to millions of chess fans through the internet.

The live transmission and broadcasting of games and tournaments must aim to reach the actual quality of other sports events which air on TV. In order to achieve this, the teams that are responsible for such broadcasts must be comprised not only of people deriving from chess, but also of people who are specialised on television, directing, cinematography, marketing etc. with top quality equipment and with certain aesthetical aims.

Relations with IOC & Image of FIDE

The improvement of our relations with IOC and the prospect of becoming eventually an Olympic sport participating in the Olympic games will also contribute immensely in terms of sponsorship but regarding this subject, I will elaborate in detail on the next question.

For the improvement of sponsorship towards FIDE, apart from the above points, it is necessary to also improve the image of the World Chess Federation as a federation politically and financially independent. It should be clear that FIDE is not serving specific political interests and its officials were not elected through political pressure and bribery of votes. As a matter of fact, this very phenomenon is actually today out of any control, since there are more than 100 federations which are receiving such political pressure and many dozens which receive promises for "sponsorship" before and after elections.

2) What measures are taken to make chess Olympic?

Our goal for recognizing chess as an Olympic sport is on a path with serious obstacles since, according to the practice of the IOC, not only one future organizing country should be persuaded to include chess amongst the two new sports that each organizing country has the right to propose to be included in the Games but IOC should be also persuaded to accept those sports. In general, even if we would achieve

something like this for one time, this would not mean that the status of Olympic Sport would be guaranteed for us.

In a meeting we had three years ago in IOC with Dr. Bach and other high-rank officials, the President of IOC made it clear from the first moment that the above procedure is the one that we should follow and that the possibility of inclusion of chess in the Winter Olympic Games is out of the question (this was the persistent dream of Kirsan Ilyumzhinov despite my strong objection that he had set the wrong goal). Unfortunately, through the discussions, the IOC never seemed to be impressed - not even after a list of arguments which were conveyed from Kirsan Ilyumzhinov, Berik Balagabaev, Geoffrey Borg, Vladimir Kramnik (yes, the ex-world champion was there!) for how important chess could be proven for the IOC; e.g. new sponsors, millions of people who watch live games on the Internet or play chess games there, take lessons, have seminars etc.

Then I presented my own view which for many years I believe that is the only realistic approach of a further recognition of chess as an Olympic Sport.

As a Greek, I told them that since I was a kid and a student I have been familiar with the principles of Olympism and with the history of the organization of the Ancient Olympic Games. I told them that I am sure that they know that in many occasions the Ancient Olympic Games were not only a competition of physical sports, but also of spiritual ones, such as poetry and theater. However, today, the cultural and "mind" aspect of the Modern Olympic Games begin and finish within the opening ceremony of the games. The gap that is created can be covered by chess!

Youth Olympics or Mind Sports? Two paths for success

Thus, I suggested that we began with the inclusion of chess as a sport in the Youth Olympics (however, there should be the adjustments of the regulations since up until now only Olympic Sports can take part there). I also told them that, whoever reads the references of IOC for the reasons why the Youth Olympic games were created, can understand that chess must be included in these games. FIDE Treasurer and fellow nominee in my ticket Prof. Dr. Adrian Siegel who was also present at the meeting endorsed my proposal and Dr. Bach herein agreed to schedule the regular meetings needed, so we could further work on the subject.

Two months later Mr. Ilyumzhinov announced that chess would be included as a sport in the Winter Olympic Games of 2018 in South Korea. The IOC sent us a letter, protesting, and switched off the channels of communication we had. This reflects that the communication with the IOC needs a very delicate negotiation in which political interference has no place.

In our program published on the <u>fideforward.com</u> website, we actually include our realistic position for creating a Commission dedicated "to promote our relations with the IOC, working towards the long-term goal of including chess in the official Olympic Program, together with the visible short-term target of including chess in the Youth Olympic Games". Moreover, the Commission will guarantee "the constant interaction with the IOC, on a various range of fields, including the Good Governance IOC principles, which can bring chess closer to full recognition as an Olympic Sport".

It should be noted that if chess is included in the Youth Olympics basically all national Olympic Committees will recognize and include as their member the National Chess Federations. Chess will have substantive recognition as an Olympic Sport and its inclusion in the Summer Olympic Games will be finally an achievable dream.

There is, however, something adding value to these efforts, a second endeavour which I started a several years ago with the ex-president World Bridge Federation Mr. Damiani when we created IMSA (International Mind Sports Association).

I believe that the idea of the Olympic Games for the mind sports every 4 years, recognized by the IOC, it is not a forbidden dream and FIDE with the assistance and in collaboration of the other mind sports and IMSA must continue its efforts towards this direction as well.

I know that "FIDE Forward" is the only one, amongst the three teams taking part in these elections, which carefully worked in including on its program a detailed and realistic proposal for the improvement of our relations with the IOC and for the recognition of chess as an Olympic Sport. Unfortunately, the statements of Mr. Dvorkovich on interviews on <u>chess.com</u> and <u>chessbase.com</u> that "we need a strong international Olympic Committee and not a weak one in the last few years" and that the IOC "is influenced by some other countries heavily" express the political opinion of Kremlin and foreshadow bad relations with the IOC.

3) How do you see the future of rapid and blitz chess and how will you promote them?

Something which very few people know is that rapid chess was first introduced by myself as a proposal in FIDE after the Olympiad in Dubai on 1986, and by the - at that period – president of the UAE Chess Federation, Mr. Mohammed Ghobash.

In the 1988 Chess Olympiad in Thessaloniki, Greece, rapid chess was presented as "Active chess" and at that time caused negative reactions not only from many top chess players, but also the Soviet Union Chess Federation. Some believed that their status quo as top players or top federations was in danger. In the end, the compromise was to name it "rapid", in order to downplay the significance of the term "active".

It should be also noted, that the need or electronic chess clocks was underlined from the very first moment by myself and Mr. Ghobash. Furthermore, not only we encouraged DGT to move forward to their production, but both I and Casto Abundo participated in a series of meetings with representatives of DGT and we assisted them in designing the first electronic chess clock.

30 years later, it is now clear to everyone that rapid and blitz chess, are the only formats of chess which can be introduced in the Olympic games!

The above says everything...

- FIDE should organize in depth a plan of utilization of rapid and blitz chess, encouraging national, continental and world championships, along with national and international tournaments. I have to admit that in Greece, we have already encouraged strongly such tournaments and only in Athens, and especially during winter an average of at least 5 such tournaments (FIDE rated of course) are organized every week!
- Internet can play here as well an instrumental role in the development of rapid and blitz chess, even with online games which as mentioned before, after organized in an official platform amongst the collaborating websites and which has an approved and universal anti-cheating system, can end up to a final stage where the finalists will be physically present.
- The organization of World Championships for rapid and blitz chess and the search for sponsors must be a different subject than in the case of standard chess championships.

- Only if FIDE has a fully scheduled competitive calendar for Rapid and Blitz games, with national, continental and world championship events, we could incorporate these formats of chess in the Olympic games, because this is a substantial prerogative, based on the rules of IOC.
- In order to achieve and enhance the implementation of these ideas, a monitoring official body can actually add huge value. This is why, after the 3d of October, we are planning to constitute a Rapid and Blitz Chess Commission.

4) Are you planning a kind of unique rating for standard, rapid and blitz?

Already FIDE, after a proposal of mine, has moved forward in an unofficial publication of rapid and blitz rating which count both games which are played online and over the board.

FIDE should move in the same way, in regards to the proposal for a unique rating list.

a) The subject in question should be studied and researched by specialized mathematics analysts and statisticians

b) The list with a single, unique rating, should first run for a period in parallel with the current different lists.

5) Will you change FIDE's licensing system and connect it with the citizenship like the IOC does?

IOC has a system which allows rich countries to "buy" athletes from other countries and incorporate them into their Olympic team. In these countries, the acquisition of citizenship can be done quite immediately and with exceptions from the general laws of the respective country.

On the other hand, in chess, we are facing a problem of transfer of large numbers of professional players who cannot ensure a living if they cannot represent and play for the countries that they have chosen to go and live. Most of these players, have to actually wait for 5-10 year to receive a citizenship.

There is no ideal solution in this issue and FIDE should act by considering the solution of the problems that chess players and chess federations face. In any case, if Chess eventually gets included in the Olympic program, FIDE will have to, of course, follow the regulations of IOC.

6) How will the members of the commissions be nominated and will they need the support of their federation?

There are commissions where all the members are elected (Constitutional Commission, Committee of Ethics, etc). In other Commissions or Committees, the members are nominated by the president of each commission, but also from the National Chess Federations.

Our aim is that at least the members of the board of each commission should be supported financially by FIDE, and in such a case most probably they should also be elected by the General Assembly.

There is a need for consideration, however, since there are two dangers, one on each case. If the members are elected by the delegates, then there is the danger of having some very capable people who because they might be not so well known or popular, they do not get elected. On the other side, if the members are nominated, there is the danger of having many people who are in some commission just because they are "friends". Careful thought must be given to which system is better.

7) Will you align women's World Cup cycle with those of men?

a) The potential abolishment of the knock-out championship for women will cause a dominoeffect and collapse of the continental women championships which, today, provide qualification spots.

b) In any case, such a decision should be first and foremost be taken by the top 20-30 women chess players in the world who, up until now, do not seem to agree with such a change.

It is, of course, a very often phenomenon, that the "market" itself, sets the rules of the organization and staging of sporting competitions and events. FIDE has to seek separately from the open championships sponsorships for the women's championships, proposing both formats. Then, based on the bids and the discussions with the top players, a final decision should be taken. Dear friends,

I would like to apologize for the delay of my replies, but I imagine that you can understand that we are currently giving an unequal fight, both politically and financially, which does not leave much available time for detailed answers which I believe that should be given to your insightful questions. Thus, I would like to thank you for somewhat making me to write a document which I believe that can be proved useful for other federations as well.

At this point, I have to mention that in our program (<u>http://fideforward.org/program/</u>), in a laconic way to be honest, we refer to most of the subjects that you have addressed us, and which I describe above.

Moreover, we include proposals for two-term limits for the President, three-term limits for the members of the Presidential Board, a Commission to promote our relations with the IOC, a Commission for Strategic Planning. Additionally, we propose changes in the statutes in order to safeguard fair and democratic elections, where there will be no place for political pressures and bribing of federations and delegates. All these, I have already included in the agenda of the General Assembly in Batumi.

There is not one similar proposal, submitted to the agenda by any of the other candidates.

Thus, we are actually already starting to make the first steps towards the implementation of our program and of major reforms which will ensure a new era of a FIDE which will be more democratic, transparent, without corruption, independent politically and financially.

With my warmest regards,

FIDE Forward

Georgios Makropoulos