

Research on the Evolution, Characteristics and Institutional Innovation of Human Capital Property Rights Allocation of Outstanding Professional Athletes in China

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Abstract:

In the competitive sports development model that combines the nationwide system and the market mechanism, the initial allocation stage of human capital property rights of professional athletes in China presents the following characteristics: a) complexity under the interaction of multiple subjects and multiple modes, and b) utilitarianism guided by market interest. In the flow allocation stage, the characteristics are: a) “difficult” to divide property rights of professional athletes, and b) “difficult” to achieve balanced allocation of collective interests and personal interests. In this regard, the following innovative ideas are proposed: 1. To establish a reasonable human capital property rights transaction system for professional athletes; 2. To break through the institutional barriers of human capital property rights transaction system for professional athletes; 3. To improve the policy and legal system regarding the allocation of human capital for professional athletes in China.

Keywords:

Professional Athletes, Human Capital, Property Rights, Allocation, System

1. Introduction

At present, human capital has occupied an important position in market economy. It has become No. 1 production factor, surpassing the capital factor. In the development of sports industry, human capital with athletes as its core features prominently, which not only determines the level of sports competition, but also promotes the prosperity of sports development, and exert a strong influence on those excellent athletes.

With rapid development of China's socialist market economy, the importance of human capital factor has been continuously stressed, and the demand of athletes is also growing. Particularly, when the demand is contradictory with the traditional sports management mode and rigid sports management system, the imbalance of human capital allocation of professional athletes would happen. If the conflicts among all parts could not be solved properly, professional athletes' career would be easily

destroyed, the development of China's sports industry would be hindered, and many negative public opinions would be spread. Therefore, we need to improve and innovate the allocation system of human capital property rights of professional athletes in China, so as to encourage every part engaged to share human capital, to promote the development of China's sports undertakings.

2. Definition of Key Concepts

2.1. Human capital property rights of athletes

Property right is not only one basic category of law, but also the basic content of economics. From the perspective of law, property right is the legal form of economic ownership relationship, specifically refers to the ownership of legitimate property, including possession, utility, benefits, disposal, and so forth. The property rights system, which embodies the ownership relation in the form of legal rights, is used to strengthen and standardize the property relations in the economy. Its purpose is to constrain the relevant stakeholders, maintain the order of the market economy, and ensure the reasonable allocation of property rights under the legal norms [1]. From the perspective of economics, Jayasekara D N and Fredriksson P G claim that property right is the right to screen and select several uses of certain economic goods realized through social coercion [2]. Zhu Qiaoling and Qiu Shaoyun consider human capital property rights as a bundle of rights, which include human capital ownership and the rights to use, to dispose, and to benefit, that are derived from ownership [3]. Therefore, human capital property right is not indivisible, which can form different property right structures under different economic environments [4].

Based on the definition of human capital property right in economics, this paper holds that human capital of athletes is a special capital that athletes provide services for sports organizations and generate economic benefits. Athletes and relevant investors have the property rights of human capital of athletes, and can transfer athletes to maximize capital benefits. The athlete human capital property right is a set of rights, which can be divided into ownership, right to use, right to trade, right to dispose, right to gain, and so forth.

2.2. The allocation of the athlete human capital property right

Allocation of property rights refers to the process of distributing property rights to all participants engaged. The allocation of human capital property rights of athletes is limited by the fact that its formation depends on human body, and to a large extent, it will be influenced by external factors such as human consciousness or cognition. Therefore, there are certain complexities and uncertainties in the allocation of property rights. The allocation of human capital property rights of excellent athletes refers to the distribution among all subjects related to the production and operation of athletes' human capital. In essence, the allocation of athletes' human capital property rights has formed a preliminary division and allocation pattern from the moment of its input.

In terms of the development logic of athlete human capital training and transaction, the purposes of the allocation of athlete human capital property rights are as follows. First, within the reasonable institutional framework, to improve national soft power through the accumulation and display of athletes' human capital. Second, within the scientific institutional framework, to stimulate the maximum market value of human capital property rights of athletes [5]. Third, within the fair institutional framework,

by clearly defining the fair ownership of human capital property rights of athletes, to clear the rules of transactional relations with a protective and normative nature to form effective incentive structure to improve the allocation efficiency of the athlete's human capital property rights, so as to form a positive interactive relationship among all subjects related to athlete's human capital property rights.

3. The Course of Allocation of Chinese Professional Athletes Human Capital Property Rights Under Institutional Changes

The allocation of the athlete human capital property right is not only the game between the input subject of athlete human capital and other subjects, but also and more importantly, the pattern of allocation of athlete human capital property right formed under different historical periods and institutional backgrounds. According to the changes of the dominant rights of human capital allocation of Chinese athletes by different subjects under the institutional changes, this paper divides its allocation process into three different stages: a) the government-led allocation stage, b) the government-led allocation stage with individual initial decision, and c) the allocation stage with negotiation between the government and individuals.

3.1. The government-led allocation stage (1955-1996)

The human capital of Chinese athletes was first accumulated under the national training network in three grades. In 1955, learning from the Soviet athlete training model, China began to establish youth amateur pilot sports schools in Shanghai, Tianjin and Beijing, which marked the government-led athlete human capital investment pattern formally established. In 1979, the International Olympic Committee (IOC) adopted the resolution on the representation of China. Thus, the legal rights of the Chinese Olympic Committee in IOC were restored, which meant China would embrace the world sports stage. To adapt to this new situation, in 1980, China's State Sports Commission and Department of Labor issued *Joint Notice on Recruitment and Allocation of Elite Athletes*. The Notice specified the work allocation scheme and criteria for elite athletes [6], and regarded athletes as official workers of the country. In 1986, China's State Sports Commission issued Regulations on *Elite Sports Teams and Measures for the Implementation of Athletes' Retirement Fees*, which provided social and economic security to some extent [7]. In 1987, the State Sports Commission issued *Notice on the Admission of Famous Elite Athletes to University*, which stipulated that athletes who won top three places in major events are exempt from the college entrance exam. The Notice promotes the integration of education and sports, and at the same time, improves human capital value of China's athletes. In 1996, General Administration of Sport of China issued *Notice on Strengthening Management of Business Activities such as Advertising for Athletes in Service*, where Article 1 pointed out that "the intangible assets of the athletes in service belong to the country, and the athletes in service must obtain the approval of the superior organization before they can carry out advertising and other business activities." In 1998, General Administration of Sport issued *Notice on Reaffirming to Strengthen Management of Business Activities such as Advertising for Athletes in Service*, which reaffirmed that the country is the dominant subject to enjoy the allocation right of the athlete's human capital, and without the permission of the organization, athletes are not allowed to participate in business activities. At this stage, the human capital of Chinese athletes is mainly under the guidance of the nationwide sports system, with the main goal of achieving excellent results in the Olympic Games

and other major international competitive sports events. It is accumulated by joint development led by the government, sports administrative departments at all levels as the main body, and together with the relevant social departments. At this stage, the ownership, use right, trading right, disposal right and Usufruct of human capital property right of Chinese athletes mainly belonged to government departments at all levels.

3.2. The government-led allocation stage with individual initial decision (1997-2019)

In 1999, Anta hired Kong Linghui, a table tennis world champion, as its spokesperson for 800,000 yuan a year. Later, Xtep, QIAODAN, ERKE and other shoemaking enterprises invited sports superstars to be their spokespersons. The endorsement fee of all athletes was distributed through the negotiation of the sports management center. In July, 2002, the Central Committee of the Communist Party and the State Council of China issued Suggestions on Further Strengthening and Promoting Sports Undertakings in the New Era, which put forward that “in the new century, with the aim of achieving excellent grades in major international competitions, such as the Olympic Games, we should give full play to the advantages of socialist system, insist on improving the nationwide system, and call on sports, finance, personnel, social security and other departments together, to attach importance to sports undertakings, so as to establish an incentive mechanism for excellent athletes” [8]. With the rapid development of socialist market economy, the value of elite athletes' human capital property soared as well. However, its relevant system was not updated in time. Therefore, some conflicts appeared unfortunately. For example, in 2003, Yao Ming sued Coca-Cola for one yuan for infringement of his portrait rights. In 2005, Liu Xiang wore the national flag to cover the Logo of their team sponsor, which was not his individual sponsor. In the same year, as a member of the national swimming team, Tian Liang did not obey the management of the national diving team, and frequently attended commercial activities in many areas, which not only disrupted the order of the national diving team management, but also violated the relevant regulations of the National Aquatics Center. In 2006, General Administration of Sport of China issued [2006] No. 78 of Notice on Trial Contract Administration for Commercial Activities of Athletes in the National Team (abolished), which stipulated that the intangible assets of athletes are the outcomes of large input, training and protection of the country and the collective, together with all athletes' own individual efforts [9]. Commercial activities shall promote the development of sporting events and the construction of sports teams, and benefit the education and management of sports teams. In the Notice, the allocation of human capital property rights of professional athletes in all events should be delegated to every sports management center. General Administration of Sport of China stuck to *Interim Measures for the Administration of Bonus and Prizes in Domestic and International Prize-winning Competitions (No.519 [1997])* (abolished), issued by the State Sports Commission in 1997, which made clear the rules for the distribution of prize money and income for national team athletes who participate in Grand Prix and various commercial competitions. That is, 50% for athletes, coaches and those who also make contributions, 30% for the award fund or development fund of the associations of sporting events, 10% for the province (autonomous region, municipality) where the athletes and coaches are located, and the remaining 10% shall be given to the National Sports Commission (General Administration of Sport of China 2010). The formulation and implementation of such distribution rules do not put the management subject, athletes and the third party in a fair and equal position. Despite it tried to

follow a scientific and reasonable form, during the implementation process, it still suffered from social criticism a lot. In 2006, China's Ministry of Personnel, Ministry of Finance, General Administration of Sport jointly issued *Guidelines on the Implementation of the Reform Plan for the Income Distribution System for All Staff Members of Public Institutions*, and implemented a new system of allowances and awards for excellent athletes. In 2007, General Administration of Sport issued *Guidance on Improving Management of Positions of Sports institutions*, which divided the jobs into four types, including management position, professional and technical position, those logistics skills position, and athlete position [11].

At this stage, in China, the human capital property rights of professional athletes belong to the government. From the formation logic of human capital, since the country has input a lot of manpower, material and financial resources, it is empowered the disposition right of human capital of its athletes. From the perspective of law, athletes themselves, are also the main investors of their human capital. Therefore, they also deserve enjoying the right of possession and disposition of human capital. However, because of the dominant position of the government and its large input to accumulate the human capital of athletes, the human capital property right of China's professional athletes still belong to the country. At the same time, however, in the market mechanism, driven by benefits and interest, athletes began to establish a contractual relationship with market entities and allocate their human capital property right independently. Therefore, the pattern of the government itself allocating human capital property rights of professional athletes has been broken. With the rapid development of socialist market economy, professional athletes are eager to control their own human capital allocation rights, the pattern of allocating human capital property rights of athletes by market means gradually breaks the pattern of allocating human capital property rights of athletes by administrative means.

3.3. The allocation stage with negotiation between the government and individuals (2020-)

In 2016, General Administration of Sport issued *The 13th Five-Year Plan of Sports Industry*, which put forward that it is necessary to improve the market environment of the sports industry, to cultivate multiple subjects, to increase the production capacity of sports, and to build a number of demonstration bases and demonstration events, so as to make every effort to train elite sports talents [12]. In 2017, the Third Plenary Session of the 18th CPC Central Committee adopted *The Decision of the CPC Central Committee on Some Major Issues Concerning Deepening Reform Comprehensively*. The sports undertakings of China also entered this important stage of deepening reform comprehensively. The government deepened the reform of management systems and mechanisms, and adhered to a problem-oriented approach. In joint efforts to build a new pattern of small government, strong social organizations, and a big society, we should actively promote the streamlining of government administration and delegating power to lower levels, and implement the policy of separating management from operation. With the deepening of the reform of the socialist market economy, the sports industry in particular is gaining momentum, especially the sports sponsorship marketing industry with the transaction of the human capital property rights of elite athletes as its core. At the same time, some social events, led by improper allocation of human capital property rights of athletes, have aroused widespread concern from all walks of life. For example, Ning Zetao became the spokesperson of a milk brand without his superior's permission. At the Jakarta

Asian Games in 2018, Sun Yang wore the national flag to cover the logo of Anta, the sponsor of China's sports team. With the guidance of the strategy of all Chinese people enjoying sports to get healthy and fit, so as to promote the country's development, in 2020, General Administration of Sport announced to abolish [2006] No. 78 of Notice on Trial Contract Administration for Commercial Activities of Athletes in the National Team, and [2007] No.2 of Interim Measures for the Management of Prize Money for National Team Athletes. To some extent, it shows that the allocation pattern of human capital property rights of professional athletes, which was originally controlled by the state government, has been completely broken. Influenced by the market mechanism, the allocation pattern has been greatly transformed, and the rights and interests that athletes should enjoy as investors are increasingly respected and protected. In Law of Physical Culture and Sports, amended by the National People's Congress in 2022, articles concerning the protection of athletes' rights and interest have been improved, including the right to education, the right to register and exchange, the right to employment and further education, and the right to vocational skills training [13] (See Figure 1). Therefore, the sports marketing industry with transaction of athletes' human capital property rights as its core will embrace an institutional reform, and the allocation system of China's professional athletes' human capital property rights will also usher in a new stage with the abolition of the old system.

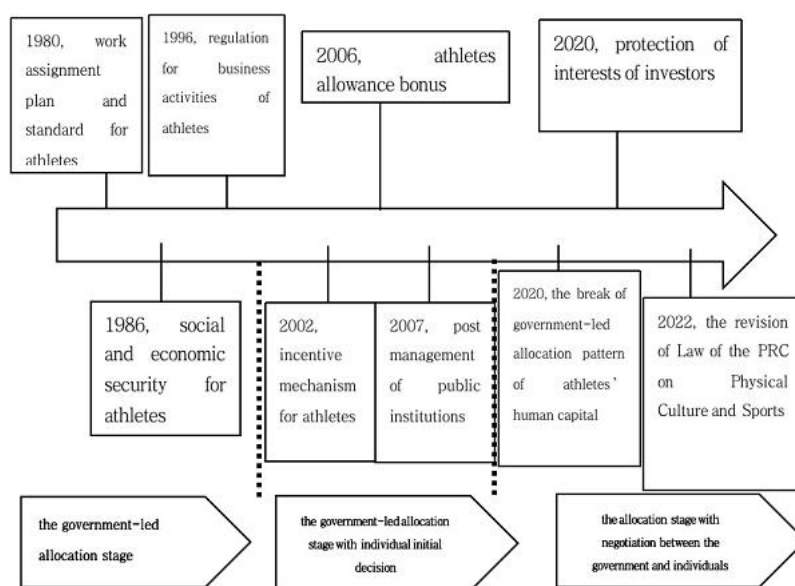


Figure 1. Division of human capital property rights allocation stages of China's elite professional athletes under institutional changes.

4. Characteristics of the Allocation of Human Capital Property Rights for China's Professional Athletes

Based on the formation of human capital property rights of professional athletes in China, the allocation of human capital can be divided into two important stages. The first one is the initial allocation stage, which is, the allocation process of human capital property rights of athletes, restricted by the country's laws and regulations, as well as relevant industry norms during the development of human capital of elite athletes. The second one is the flow allocation stage, which is, the process of interaction, negotiation and consultation among various economic and management subjects under the constraints of national laws and regulations, relevant industry

norms and the internal systems of organizations after the human capital of professional athletes has matured. Within the existing legal and institutional framework of the country, the different stages of formation and allocation of human capital for professional athletes in China present the following characteristics.

4.1. The characteristics of the initial allocation stage

Initial allocation refers to the allocation of human capital of elite athletes in the formation process, specifically including the allocation of human capital property rights in the various stages of training of our professional athletes. As China's socialist market economy grows rapidly, the original training network in three grades begins to experience diversified development. The "sports-education integration training model", "social system-sports joint training model" and "social system-sports-education joint training model" make the allocation of human capital property rights of elite professional athletes more complex and market-oriented.

4.2. Complexity under the interaction of multiple subjects and multiple modes

The formation of an athlete's human capital depends not only on the athletic talent embedded in the body, but also on the various inputs into the development. With a diversified development model, for the allocation of human capital property rights of athletes, there are certain differences in the logical starting points of the goals of sports administration, education administration, social sports clubs and individual families. As a government subject, the sports and education administration have the aim that the investment in the human capital of athletes carries a certain political connotation, with the ultimate goal of training more elite reserve athletes for the country and the medium goal of regional or individual political achievement. The input of a social or private sports club assumes social responsibility on the one hand, and on the other hand, it becomes self-sustaining and generates certain economic gains. The individual family's investment in the human capital of the athlete is aimed at nurturing people to success. Therefore, different subjects have different starting points and choices with different targets. In reality, the human capital property rights of athletes accumulated under multiple training models in different geographical areas are subject to the constraints of different local systems in the initial allocation process, and the initial allocation stage of human capital property rights is characterized by complexity.

Besides, as the main investor of athletes' human capital, in the negotiation and transaction of athletes' human capital allocation right, due to individual subjective factors and external factors, there is often some certain complexity in the negotiation. It will not only lead to the depreciation of human capital property rights of athletes, but also affect the long-term development of athletes and even bury their athletic talent. In 2019, three young football players from Guangzhou signed a training agreement with Baogang Sports School when training in Haizhu Sports School. In the agreement, it is stipulated that if the players were recruited by another football club, they would have to pay a penalty of 200,000 yuan. Later, Dalian Huihong Club was satisfied with these three young men, and signed a contract to bring them to Dalian for training. As the registered athletes of Guangzhou Football Association, already signed by Baogang Sports School and Yanzigang Sports school, they wanted to leave Guangzhou for Dalian, and didn't fulfill their obligations according to compensation procedures of the joint youth training mechanism. In terms of compensation, the head of Huihong Club didn't reach an agreement with Guangzhou Football Association.

Therefore, three young football players were banned for a year by the Chinese Football Association, which not only hit hard to athletes themselves, but also brought many troubles to the cooperations of the input subjects.

4.3. Utilitarianism guided by market interest

Throughout the development of sports market of China, governments at all levels play different roles in the formation and transaction of human capital of athletes, especially in the important stage of reform of socialist market economy, the government gradually form a symbiotic relationship with the market. In the original planned economic system, the initial and flow allocation of athletes' human capital were dominated by the government, and "rent-setting" or "rent-seeking" of the competent departments occurred from time to time. With the rapid development of socialist market economy, the value of athletes' human capital is surging with market mechanism, which leads to the tendency of utilitarianism in the training goal and direction of athletes' human capital. Training is an important link during the formation of athletes' human capital. Whether in social sports clubs, youth sports schools or in ordinary schools, various problems are constantly exposed in the process of recruiting or training athletes. In recent years, sports training institutions and other social sports training clubs of many types have blossomed. They are important subjects for the cultivation of athletes' human capital. However, influenced by low market access threshold and ununified charge standards, chaos breeds in the sports club industry. According to the official media, under the policy of "Double Reduction" carried out by the country, the charge of basketball training institutions in some areas has soared from over 6,000 yuan to over 8,000 yuan with the increase of up to 30 per cent, which means a huge expense to an ordinary family. Moreover, participation in competition is an important link in the formation of human capital. Only by participating in sports games and obtaining the opportunity to show their ability can the value of human capital be fully displayed and improved.

However, athletes' opportunities depend on their excellent performance, as well as the subjective judgment and interest game of coaches, family members and stakeholders. In this process, the display of athlete's ability is significant for the transaction of human capital property rights. Driven by interests, since the compensation mechanism for youth training still needs improving, athlete families and the main body of enlightenment investment gradually lead to utilitarianism. The unfair competition will not only cause the unbalanced development of athlete's human capital, but also disturb the order of initial allocation market.

4.4. The characteristics of the flow allocation stage

The flow allocation stage is in the mature period of athletes' human capital, the process of the game among the investment subject and the athlete and the related investor under the market mechanism, aiming at the maximization of economic social benefits.

a. "Difficult" to divide property rights of professional athletes.

In the flow allocation stage, human capital property rights of professional athletes mainly include ownership of competence, ownership of competition performance and the right of commercial development [14]. For the athletes in the national team, their ownership of competence and competition performance have been clearly divided according to the existing industrial system and norms. The ownership of relevant

property rights is mainly determined through contracts by athletes and the administrative departments of their sport events. At present, the ownership and transaction of commercial development right has brought the most disputes. With the improvement of their performance and the continuous display of their skills, the market value of their human capital property rights is constantly rising. So are the economic benefits. As one of China's elite athletes, Liu Xiang, was paid around 300,000 yuan as spokesperson before the Athens Olympic Games. Hereafter, his endorsement fee rose to 11 million yuan, more than 30 times as much as before. Therefore, the business value of human capital property right will change with competition performance and market economic environment. In the transaction of athletes' human capital commercial development rights, related problems are also exposed. Because of his outstanding performance in Incheon Asian Games, the social status of Ning Zetao, a famous Chinese swimmer, soared. In the second half of 2014, Ning signed a contract with Yili without the approval of the National Swimming Administration Center, while at the end of 2014, the Center identified the collective sponsor as Mengniu. Due to the absence of relevant regulations and the unsuccessful mediation by the agents of both parties, the incident ended up with a unsatisfying result when the commercial interests of the individual's sponsor were in conflict with that of the sponsor of the national swimming team. It should be considered that, in the absence of a market system for the transaction of the human capital of athletes, how should the property rights be divided and allocated in a reasonable manner? In the case where the athlete and the stakeholder are both input subjects, what system or mechanism should be used to effectively and reasonably subdivide and allocate the commercial exploitation rights of athletes, so as to maximize the social and commercial value of the bundle of property rights?

b. "Difficult" to achieve balanced allocation of collective interests and personal interests.

Nowadays, the development pattern of the athletes' human capital is transforming from one single subject to cooperative input of multiple subjects. However, due to the difference of marketization and development goals of various sports events, most professional athletes still need to get promoted through the supporting competition system of the national training network in three grades. A large number of excellent professional athletes can have a higher and larger platform to show their athletic talents and superb skills only through the municipal-provincial-national team, and that's why the value of human capital can be formed. The premium ability of human capital property rights will rise and fall with the performance of athletes in the games, the achievement of outstanding results, and their performance off the field. Their human capital accumulated through the training competition systems of provincial or municipal levels and the national team shows the input and efforts of Chinese governments at all levels and athletes. Every stage of the development of the professional athlete will cost a lot of human, material and financial resources of all governments at all levels. At the same time, the talent and hard work of the individual cannot be ignored. Therefore, it is infeasible to measure the main input of two parties by money, which leads to the "difficulty" of achieving balanced allocation of human capital property rights.

[2007] No.2 of Interim Measures for the Management of Prize Money for National Team Athletes (abolished), issued by General Administration of Sport, made stipulations only for the athletes in the national team who won the prize money in the competition. The allocation proportion of individual events, group events and

collective ball events is divided in detail, while the allocation for other sports is arranged by association of each event according to the reality. It can be seen that; the country's sports administration departments have stipulated the allocation proportion of competition profits from human capital of professional athletes. From the content of the stipulation, the proportion shows the efforts of every party, especially the hard work of the athlete have been fully respected.

However, it is not the same case in terms of the right of participation or right of speech. Moreover, the profits of human capital property rights of athletes include not only the prize money, but also the commercial profits from sponsors and advertisement. Such kind of profit is mainly about the transaction of subdivision rights of individual personality rights of athletes. The transaction process is not only influenced by personal subjective will, but also interfered by administrative means of the management department. Therefore, when personal interests collide with collective benefits, it should be taken great consideration about how to form rational and scientific system, so as to allocate various benefits brought by the human capital property rights of athletes in a fair manner. While respecting the hard work of the athlete, at the same time, we should take a comprehensive perspective to promote the sustainable development of the country's competitive sports.

5. The Predicament of Allocation of Human Capital Property Rights of Elite Athletes in China

5.1. Institutional barriers as well as lack of supervision in the initial allocation stage

In the initial allocation stage, it is possible that the input of the human capital is in sync with the transaction, especially for teenager athletes. With the development pattern of multiple subjects, athletes can get training among youth training teams in the professional sport clubs, youth sport schools, sport event associations and other places. However, the registration system, the training system, the competition system and the compensation system in various development patterns remain unsound. Therefore, some elite athletes under the present education and sport training system serve in less marketable sport events. There are many institutional barriers in the transaction of human capital property rights, which restricts the free flow of athletes. Besides, there are some differences in the youth training compensation mechanism and the athlete mobility system or mobility restrictions in different areas. At present stage, the allocation of human capital property rights of athletes mainly includes swap, exchange, one-off buyout and agreement exchanges. During the transaction of the property rights, due to institutional barriers in different regions, information asymmetry, or absence of supervision, some legal disputes or power rent-seeking events often happen, especially for those who get outstanding performance in important games.

5.2. Unsound market transaction system in the flow allocation stage

In the flow allocation stage, transaction subjects of human capital property rights of elite athletes mainly include athletes themselves, sports administration departments and enterprises in market. The human capital of athletes is formed with numerous inputs of individuals and the state. Both have the commercial development right and the allocation right of human capital, whether at moral or legal level. However, the differences of the nature of two kinds of subjects lead to the big divergence of benefit

starting point and transaction logic. Because of unsound market transaction system of human capital property rights of athletes and the power gap between the state sports administration and individual athletes, something unfair, opaque and unreasonable often happen during transaction procedures and negotiation processes. Moreover, sports brokerage industry in China develops relatively slowly. In terms of both the national team or the individual athletes, during the transaction of human capital property rights, there are absence of professional talents and relevant industrial norms to promote the rapid development of the property right transaction market.

5.3. Lack of supporting laws and regulations and industry institutional norms

At the 35th Session of the 13th National People's Congress in June 2022, the Law of the PRC on Physical Culture and Sports was amended, promulgated and implemented. In the law, key components and legal liability of the country's sports undertakings are clearly defined. Articles related with the rights of athletes mainly include the protection of the rights to receive education according to law, the rights to choose registration and exchange, the employment and further education of elite athletes, the re-employment and relevant social security of retired athletes, as well as the selection of athletes and establishment of sports teams in an open, fair and performance-first manner. There are no regulations about the protection of the mobility rights of professional athletes at all levels.

However, with the rapid development of all kinds of transaction markets of human capital property rights of athlete nowadays, legal interests of multiple subjects need protection of law more than ever. Besides, laws related with the transaction of human capital property rights of elite athletes, such as labor law, don't define elite professional athletes as general labor subjects. Moreover, among different regions, there exist great differences on the building and implementation of the system of human capital property rights transaction for elite athletes, with unopen and unfair problems during the implementation process. The supervision systems and binding means of sports administrative departments to the relevant subject, such as amateur youth sports schools and social sports training organizations, lag far behind, which makes power rent-seeking and bad market transactions possible.

6. Innovations for the Allocation System of Human Capital Property Rights of China's Elite Athletes

6.1. To break through the institutional barriers of human capital property rights transaction system for professional athletes

Noce believes that, in modern society, social system is the basis of the normal operation. In order to build a more harmonious relationship between people, it is necessary to use systems to regularize them [15]. With the development of sports undertakings, during the market transaction of property rights, elite athletes also need to obey regulations that is aimed to effectively protect legal interests of all subjects. Facing various problems during the transaction, we need to take targeted measures to break through the institutional barriers of human capital property rights transaction system.

First, we need to put an end to the interference of administrative power in the transaction of human capital property rights of athletes. China should take an active manner to coordinate all industry associations and remove the governmental attribute

from them resolutely. Therefore, those associations can become civil organizations, and other subjects engaged in the development of sports can be put in an equal position, which makes equal and orderly transaction of human capital property rights.

Second, we need to promote the marketization of athletes' human capital. Nowadays, the increasingly rising commercial value helps the athletes themselves, professional clubs as well as the country to generate huge economic benefits. Therefore, we need to encourage the marketization of the human capital of athletes. It is necessary to improve the broker mechanism and equip professional brokers for elite athlete. While exploiting the great commercial possibility of athletes, we should also attach great importance to the professional ethics and the long-term development of athletes. At the same time, we need to allocate the interests of investors of human capital. From the beginning of development, we need to reduce ground rent, tax of sports clubs and purchase government public service. Main subjects of human capital of athletes should rely on social forces to separate active labor costs, so as to support the marketization of elite athletes (See Figure 2).

Third, we need to make athletes' human capital transaction information public. Due to limited human capital market of athletes in China, the information of human capital has not been made public yet, and the lack of professional information platforms leads to common private transaction. It is difficult to give full play of the value of their human capital. At the same time, various conflicts and disputes often happen. The association should take the responsibility of building the transaction platform of human capital, display the trading information of elite athletes' human capital in a centralized manner, so as to break the information barrier and make the transaction opener, more transparent and standardized.

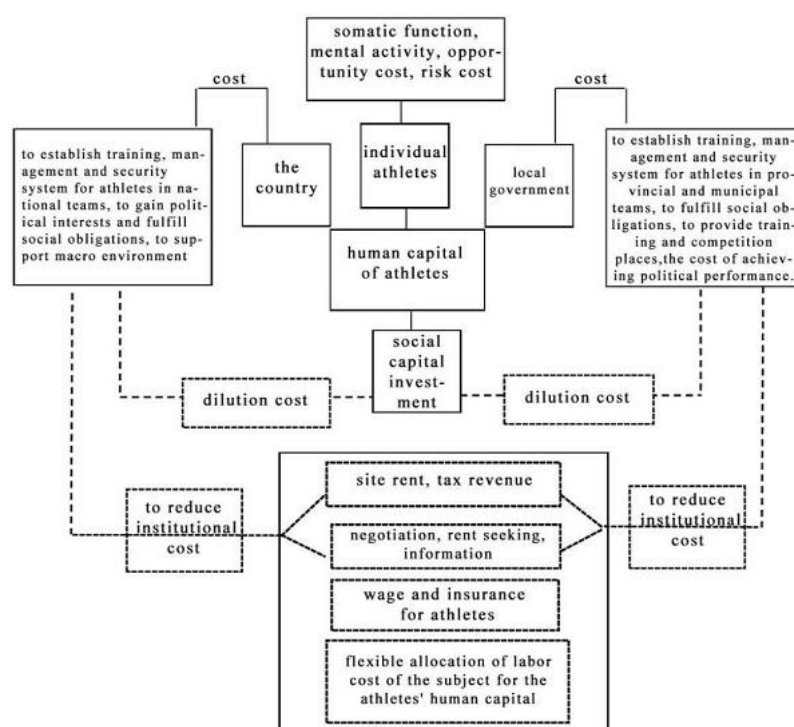


Figure 2. Flow chart of breaking through the barriers of transaction of athletes' human capital property rights.

6.2. To establish a reasonable human capital property rights transaction system for professional athletes

The human capital allocation of elite athletes refers to the use of human capital in a scientific and rational manner according to relevant regulations and rules with the specific social and economic background [16]. Under the modern market economic environment, the human capital of elite athletes is allocated in the form of property rights. Therefore, it is necessary to put forward the corresponding system with property rights as the core to ensure that multiple subjects can get benefits rationally. When building a reasonable transaction system of human capital property rights for athletes, we should solve two problems of transaction systems: slow updating and difficult implementation. First, we should continue to improve the transaction system of human capital property rights of athletes. With the development of China's sports, it is possible that more subjects will engage in the investment of human capital. We need to further improve the allocation of property rights of athletes, guaranteeing fair sharing of benefits. By optimizing the property rights system, the interests demand of multiple subjects could be satisfied. Besides, the country's sports undertakings could achieve better development. We need to build a co-opetition of transaction system of human capital property rights to ensure multiple subjects can gain due benefits under a reasonable system, so as to realize the effective allocation of human capital. (Figure 3)

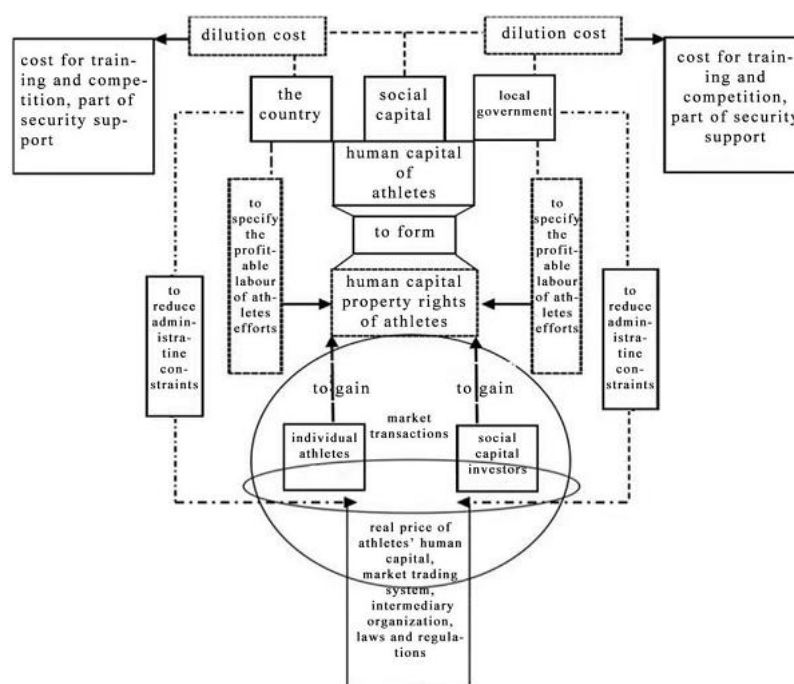


Figure 3. Diagram of human capital property rights trading system of elite professional athletes in China.

Therefore, it is necessary to update and improve the existing transaction system of human capital property rights. Combined with the current status and main problems of the market, we should incorporate the latest solutions into the transaction system, to guarantee the timely update of the transaction system. Besides, we should guarantee the implementation of the system. Proceeding from the reality, we need to clarify the detailed rules of the human capital property rights transaction in the formulation to make it operable. First and foremost, according to the value law of market economy and the situation of market supply and demand, we should construct the reasonable price mechanism of human capital property rights of elite athletes. Second, it is necessary to establish a supporting property rights transaction system about the price mechanism to constrain the subjects engaged. At the same time, the transaction of

property rights is not only the game among various subjects, but also the management system and order maintenance of intermediary organizations. At last, there should be corresponding supporting supervision mechanism and laws and regulations to ensure the smooth progress of the transaction, to safeguard the legitimate rights and interests of all subjects.

6.3. To improve the policy and legal system regarding the allocation of human capital for professional athletes in China

The allocation of human capital of elite athletes requires equal negotiation and independent choice by various parties, to ensure that their own interests are not infringed. Under the premise of equal resources, the human capital circulation of elite athletes will be realized. At present, in the human capital allocation system of elite athletes, multiple factors, including supply and demand, price, rights and obligations are taken in consideration to strive for equal treatment of both sides. However, during the training process of elite professional athletes, the input subjects are diverse with a complex relationship, which has certain particularity. At the same time, it is difficult to measure the cost of subjects' input uniformly, so it is necessary to explore an effective measurement mode of human capital property rights value to ensure the reasonable calculation of the investment value of all subjects. Besides, China also needs to improve the laws and regulations related with the allocation of human capital of elite professional athlete. We should adhere to the Constitution as the foundation, in combination with the Labor Law, the Contract Law, the Arbitration Law, and the Sports Law, so as to improve our laws on the allocation of human resources for athletes. Besides, to guarantee smooth transactions of human capital property rights of elite professional athletes. Some administrative regulations and departmental rules need to be improved; meanwhile, operable regulations need to be put forward. We should combine with the problems in the current market transactions to formulate the corresponding countermeasures, such as Regulations on Human Capital Transaction Market for Elite Professional Athletes in China, to resolve the actual disputes in human capital transactions in the market and promote the further development of human resource allocation of elite professional athletes in China.

7. Conclusions

Improving and innovating the human capital property right transaction system of China's professional athletes is an important practice in adapting to our choice of the development path combining the nationwide sports system and market mechanism in the new development stage in sports. It is not only of great significance for the training of our professional athletes, but also promotes the development of human capital property rights transaction market of Chinese athletes. Guided by existing problems, we should improve the system related to human capital property rights of professional athletes according to law, fully respect the input of multiple subjects in different formation stages of professional athletes' human capital, and safeguard the legitimate rights and interests of those subjects. We should provide a good market environment for the transaction of human capital property rights of athletes under multiple subjects and modes, and promotes to form a good interactive relationship among the government, society, market and athletes themselves.

Conflicts of Interest

The author declares that there is no conflict of interest regarding the publication of this article.

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