



Editorial

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The legacy and the morality of mega-event spends

By the time you read this the 2014 FIFA World Cup will be over. The mega-event will have packed its bags and left Brazil, but not without a few questions remaining.

The build-up to 'the greatest show on earth' was not without controversy. First, a large proportion of the Brazilian public was unhappy about the cost of staging the event. Their understandable argument was that a lot could have been done with the \$ billions invested in stadia, some of which are unlikely to be used again to their full capacity, in a country that faces severe problems of poverty and inequality.

The *Journal* has on many occasions looked at the value of mega-events to countries and the findings are inconclusive. In some cases, the expenditure has clearly been a very good investment. The most notable was probably the 1992 Olympics in Barcelona, which stimulated a transformation of the city into a major international sports, tourism and business centre. The local organising committee spent its budget wisely by renovating ageing facilities and developing a new waterfront area. It was regeneration that was desperately needed and would have had to be paid for anyway – the Olympics gave the city the chance to attract revenues that would otherwise not have been there. Likewise, Sydney in 2000 used the Games to showcase its potential and regenerate areas that were in need of new investment.

The World Cup in Germany in 2006 arguably gave the country the chance to build or renovate a series of stadia, which has helped its soccer industry to become one of the strongest financially in the World. South Africa (2010) presented itself as a country that could handle major projects and show that Africa was ready to embrace the 21st century, but it is arguable as to whether the \$3 billion price tag was worth such a statement.

If all goes well in Brazil this year, the country will look forward to the Olympics in 2016. If, however, the national side has stuttered and there is a re-focus on

cost, corruption and stadia that were being prepared at the last minute, the Rio Games could face a very bumpy ride. It is, therefore, arguable that the IOC took a huge risk in awarding the Games to Rio such a short time after the country had hosted the World's only other mega-event.

The summer will see many people question the future of mega-events, the costs of which seem to be on a steep upward trajectory. Where vast amounts of money are being bid and spent, questions of incompetence, waste and corruption surely follow. FIFA has come under scrutiny for the nature of awarding the World Cup to Russia in 2018 and, in particular, Qatar in 2022, with allegations of bribery to the fore. The IOC had to deal with this issue after Salt Lake City in 2002 and made sure that there would never be a repeat. So far FIFA appears to be burying its head in the sand and the sponsors seem to be taking the issue more seriously than the governing body.

Clearly corruption has to be rooted out of mega-events in sport for moral and practical reasons. Sponsors do not want to be associated with anything that is tainted, and with several FIFA partners due to renew after the event, it will be fascinating to see how negotiations pan-out. Perhaps more importantly, major governing bodies need to re-evaluate how major events are staged and awarded. There is a danger that they are being perceived too much as national vanity projects with questionable legacies and this ultimately does no one any favours.

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