



Olympics and cities

Opportunities, ambitions and failures

Eckart Woertz (coord.)



CIDOB

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CENTRE FOR
INTERNATIONAL
AFFAIRS

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COLECCIÓN MONOGRAFÍAS

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INTRODUCTION

Since their inception over a hundred years ago, the modern Olympic Games have been surrounded by politics. They have been used to further national interests, showcase ideological world-views and draw attention to causes such as the fight against racism and gender discrimination. Since the 1980s the economic dimension of the Olympics has moved to the forefront following increased commercialisation via television deals and sponsorship. Host cities seek to outbid each other in search of prestige and urban remodelling. Citizens, on the other hand, are increasingly concerned about the costs that have to be borne by the public and agitate against the corruption scandals that have been associated with the organisation of Olympic events.

The summer games this year in Rio de Janeiro are a case in point. Awarded to the city in 2009 at a time of widespread optimism about the economic prospects of emerging markets like Brazil, the country now suffers from a commodity bust. Cost overruns, unfinished construction sites and bribery scandals are being scrutinised. While Olympic venues are mostly in the richer south of Rio, many of its poorer people have been left in the dust, as the evicted former inhabitants of central favelas have not received the promised alternative social housing. On the other hand there have been examples of the positive impacts of the Olympics, such as Barcelona's urban transformation process from an industrial city to a tourism and service hub following its summer games in 1992, which, in turn, inspired the organisers of the London games in 2012.

Against this backdrop, this collaborative volume written by CIDOB researchers explores the challenges and opportunities for cities hosting the Olympics. Eckart Woertz outlines the history of the politics around the games, ranging from their instrumentalisation by Nazi Germany in Berlin in 1936, when many aspects of their modern iconography were introduced, to the boycotts threatened and carried out since the 1950s, and the advent of a massive push towards commercialisation since the summer games in Los Angeles in 1984.

Jordi Bacaria analyses the economic effects of the Olympics on host cities such as Beijing, Rio and Sydney and their infrastructure planning.

He points to the procyclical character of many associated investments, which can compromise economic benefits, along with the occurrence of white elephant projects.

Paula de Castro takes a look at the four Olympic Games hosted by the USA. They have set new standards in terms of sponsorship deals (Los Angeles 1932 and 1984, Atlanta 1996), but were also overshadowed by a corruption scandal during the Winter Olympics in Salt Lake City in 2002.

Oriol Farrés analyses the Beijing 2008 summer games with which China sought to reinforce its role model status among emerging market countries. The government succeeded with its top-down planning approach and was anxious to improve the abysmal air quality of the city, but it also aimed to nip any political protests in the bud. A political opening up did not occur in the wake of the games as many had hoped, although ethnic minorities were at least granted representation in accompanying ceremonies.

Nicolás de Pedro analyses the geopolitical drivers behind the Winter Olympics in Sochi in 2014, which were vigorously supported by Russian President Vladimir Putin in his quest to demonstrate Russia's regained power and pride after the demise of the Soviet Union.

Anna Ayuso shows how the bid and the organisation of the Rio Olympics 2016 have been rooted in Brazilian politics and what effect the recent economic downturn in the country has had on this year's summer games.

Josep Coll analyses the case of the summer Olympics in Barcelona in 1992, which have been widely hailed as a role model for sustainable Olympics with a beneficial impact on the host city. Yet Coll also points out negative examples, such as idle infrastructure after the end of the games, and the cases of social marginalisation as a result of real estate speculation.

Like Barcelona, the games in London in 2012 are widely regarded as a success. Francis Ghilès outlines aspects of the urban renewal and infrastructure overhaul and points to the growth in self-esteem that can be observed in the wake of great sporting events: an effect that was welcomed in a city that was still reeling in the tails of the global financial crisis.

Pol Morillas and Héctor Sánchez turn our attention to a less successful example. The summer games of 2004 in Athens is in many ways a cautionary tale as spiralling costs weighed on an economy that would plunge into deep crisis after 2009 and the ensuing debates about the negative role of corruption and extractive elites extended to the organisation of the Olympics.

Finally, Eduard Soler provides an overview of Istanbul's "eternal candidacy" and its unsuccessful bids for the Olympics of 2000, 2008 and 2020, which would have made it the first Muslim majority country to host the event. Recent doubts about the economic strengths of emerging markets, a renewed flare-up of the Kurdish conflict within Turkey, its vicinity

to the quagmire of the Syrian civil war and its deteriorating international relations with Europe, Russia and Israel make a successful bid by the city in the near future less likely.

Overall, a picture emerges of how the Olympic Games can have a positive impact on cities in some cases, but are increasingly clouded by concerns about financial and social sustainability.

Eckart Woertz

Senior Research Fellow, CIDOB



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The modern Olympic Games were launched in 1896 after a hiatus of 1600 years. A reinvented tradition of an ancient ritual deprived of its original religious connotations and filled with modern aspirations of nation-building and aristocratic ideas of character formation. The brand expanded with the first Winter Olympics in 1924 in Chamonix, the first Paralympics in 1960 in Rome and the first Youth Olympics for children aged between 14 and 18 in 2010 in Singapore.

While they were meant to celebrate athletics and the brotherhood of humankind, politics have surrounded the modern Olympics since their inception: nation-states in Europe competed aggressively with each other in the age of imperialism and latecomers like Russia and Japan tried to step into the game.

If the Olympics were an international meeting place with the idea of bringing people together peacefully, they were also used to celebrate a nation's success and showcase ideological worldviews. The Soviet Union abstained from participating until 1952 as it deemed the games "bourgeois" and organised a competing international sport event, the Spartakiads, instead. The Berlin Olympics in 1936 marked a watershed moment in terms of politicisation. Originally awarded to a beleaguered democratic German government in 1931, the Nazis went on to instrumentalise the Olympics to broadcast their ideology of racial superiority and at the same time alleviate international concerns about their expansionist intentions.

Much of the modern iconography surrounding the Olympics was born at that time. The torch relay of the Olympic flame was first introduced and embedded in a bombastic ritual; Leni Riefenstahl pioneered the suggestive use of iconographic imagery in her documentary *Olympia*; and the Games were broadcasted via television for the first time, albeit only to a local audience. With the introduction of satellite transmission in 1964 and colour TV in 1968 this "eventification" of the Olympics received a further push and paved the way for its commercialisation in the 1980s.

The Nazis' view of racial superiority received a dent when Jesse Owens won four gold medals, prompting Hitler to refuse to meet him as he

did not want to be seen shaking hands with a black man. The Berlin Olympics also saw discussions in the US about a possible boycott because of the persecution of Jews in Germany, which had taken a turn for the worse with the Nuremberg laws of 1935. But the boycott initiative proved unsuccessful. Avery Brundage, later President of the International Olympic Committee (IOC), was prominent among its opponents.

The games of 1940 and 1944 were cancelled as a result of World War II. Afterwards the politicisation of the Olympics continued as they developed into an ideological frontline of the Cold War. In 1956 the games in Melbourne were boycotted for three different motivations: some European powers abstained in protest against the Soviet suppression of the Hungarian uprising in 1956; Iraq, Lebanon and Egypt protested against the Suez Crisis; and China the fact that Taiwan was allowed to compete as the "Republic of China", violating its one-China policy. Many African states boycotted the games in 1976 in protest against apartheid policies in South Africa and Rhodesia. Finally, in 1980 the Western world boycotted the games in Moscow. The Soviet Union and its allies reciprocated with a boycott of the following Olympics in Los Angeles in 1984.

In recent history, boycotts have been unsuccessfully suggested of the Beijing Olympics in 2008 in protest at China's human rights record and Tibet policy, and then again of the Sochi Winter Olympics of 2014 to protest against Russian involvement in the 2008 Russo-Georgian war and the suppression of human rights and LGBT activists in the country.

Terrorists have targeted the Olympics to capitalise on the global media attention that they attract. During the games in Munich in 1972 a Palestinian terror commando killed 11 members of the Israeli team and a bomb planted by a right-wing terrorist killed one person and injured many others during the games in Atlanta in 1996.

Athletes have also used the Olympics as a platform for conveying political messages. At the Olympics in Mexico City in 1968 the US 200-metre sprinters Tommie Smith and John Carlos famously lifted their fists in a Black Power salute when standing on the victory podium. Similarly, a Czechoslovakian athlete protested against the occupation of her country by Soviet forces in the same year during the award ceremony. Politics also loom large in the efforts of Iran and other Middle Eastern countries to avoid competition with Israeli athletes.

Gender debates have been another aspect of Olympic politics. Women were allowed to compete as early as 1900, but by as late as 1992, 35 nations still fielded men-only teams. By 2010 only Saudi Arabia, Qatar and Brunei remained in this group. And after international pressure and threats of exclusion from the games, they also sent female athletes in 2012. Other conflicts around the Olympics have included the disregard for rights of native populations and the misappropriation of their cultural symbols.

Nowadays, the most prevalent political discussions surrounding the Olympics pertain to bribery and the exorbitant costs for host cities.

Under the presidency of Avery Brundage (1952-1972) the IOC resisted corporate sponsorship and insisted on an ethos of amateurism in the Olympics that was increasingly questioned. The amateurism requirements were largely dropped during the 1970s, except for boxing and wrestling. During the presidency of Juan Antonio Samaranch (1980-2001) an unprecedented drive towards commercialisation set in. The summer games in Los Angeles in 1984 marked a new high in terms of television deals and sponsorship.

While the financial inflows offered new opportunities to organisers and athletes, they also brought with them allegations of graft and complaints about the opaque procedures of awarding hosting rights. In 1998 several IOC members had to resign after being accused of receiving bribes to award the 2002 Winter Olympics to Salt Lake City. Similar accusations have been made about the 2012 summer Olympics in London and Turin's bid for the 2006 Winter Olympics.

Citizens of host cities and potential candidates increasingly question the exorbitant costs of infrastructure that often lies idle after the end of large sporting events. In Brazil people protested against the widespread corruption surrounding the construction deals for the 2014 FIFA World Cup for football and the Rio Olympics of 2016. Popular referendums in Hamburg and Munich even voted down the two cities' candidacies for the 2024 summer and 2022 winter games, respectively.

The allure of showcasing a country's status and prestige as an accomplished emerging market or rebounding former superpower played an important role in the Olympic bids of Beijing, Rio and Sochi. In developed countries that have hosted the vast majority of past Olympics the appetite to undertake the associated investments is less pronounced these days. Calls for downsized and more sustainable Olympics and fairer burden-sharing between the organising IOC and the host cities are widespread. Future Olympics may increasingly be held in aspiring countries of the emerging world, but even their interest could wane in the light of reduced growth dynamics, lower oil prices and calls for more accountability. It seems that the future politics of the Olympics will be less about geopolitics or lofty declarations of ambitions and ideals than about a more mundane reality: It's the economy, stupid!

Jordi Bacaria

Director, CIDOB



At what point in the history of the modern Olympic Games did economics begin to take precedence over geopolitics and noble ideals? When, along with the sporting competition and the prestige of records and medals, did the rivalry of the commerce associated with the event begin to acquire importance? At what point did the economies of the cities or states involved begin to see hosting the games as a lever with which to stimulate investment, growth and employment? Another question concerns how the transition of citizens' attitudes came about – from enthusiasm and feeling they participated, despite not being part of the athletic teams, to seeing it as a reason for heavy criticism and social opposition movements. Ultimately, how and when did economics, with its positive and negative impacts, come to be at the centre of the Olympic Games, and why?

It is difficult to establish the sequence of the change, because, in some cases, various elements emerged at once. But, without doubt, it was during Juan Antonio Samaranch's presidency of the International Olympic Committee (1980-2001) that a new era began in terms of the rebirth of the games' prestige. When the Olympics were held in Los Angeles in 1984, the world of television and commercial sponsorship joined the event, revolutionising the games' economics, and, in particular, the funding of the costs associated with its organisation. Ever since Barcelona's Olympics in 1992 it has been analysed as an example of a model of urban regeneration and infrastructure funding linked to a strategic city project that had significant economic impact on the local and metropolitan environment. But since then not all have been success stories. As an example, the debt from the 2004 Athens games is still being paid and became an added factor in the Greek debt crisis when it soon overlapped with the effects of the 2008 recession.

Generally, we may speak of an "economic hangover" from games based on these models of urban expansion and heavy indebtedness. In some cases, this has caused slumps in the local economy after a period of strong growth in the construction sector and the short-term boost to demand associated with the flows of people and tourism. Not even post-92 Barcelona managed to save itself from this hangover, although

in the long term it has been able to compensate with its capacity to attract tourism. In each case, the intensity of the recession has depended on the size of the national economy and its capacity to absorb the negative impact in the short term. Beijing's economy in the context of China is not the same as that of Athens and Greece. Neither is the impact of the national economy when compared to the international in the production of global growth impacts, as was the case of Beijing before the 2008 Olympics, which coincided with the start of the financial crisis. Though economic studies generally point to a growth effect of the games of between 0.7% and 1.5% of GDP, it should be considered whether this growth compensates for the possible subsequent recession.

The negative economic impact may also be associated with the creation of large infrastructure white elephants, which are underused afterwards, such as the Beijing National Stadium, known as the bird's nest, which has only hosted five events since its inauguration in 2008. White elephants stimulate demand during the period of construction; however, this kind of infrastructure does not, in the long term, provide the return necessary to repay the associated debt.

Other games, such as London 2012 and Atlanta 1996, whether because they came four years after games that had great impact (Beijing and Barcelona, respectively), whether because their periods of demand coincided with times of economic depression, or because the investment level was low (Sydney 2000), have not suffered the same impacts as games that were prepared for and took place during periods of growth – and which are therefore procyclical – which accentuated the bubble effect.

Given that the period of investment related to the Olympic Games is generally around six years, one may speak of sustained annual growth during that time. The case of Beijing from 2002 to 2008 is very clear: the annual urban economic growth rate was 12.6% in six years – 1.3% more than between 1997 and 2001. Also, in 2008, it reached \$6,210 of GDP per capita – almost double that of 2001 – an increase that was achieved in just two years.

The investment in infrastructure around the Beijing Olympics set the record for the games that took place between 1992 and 2012 (not including winter games). Beijing (2008) ended up investing \$14 billion, London (2012) \$13.7 billion, Barcelona (1992) \$8 billion and Sydney (2000) \$3 billion. The most significant (though not the most surprising) thing about Beijing is the proportion of the investment that went to the public sector – 85%; this was far higher than Sydney (64.4%), London (64.2%) and Barcelona (61.5%). The costs of organising the games should be added to the impact of the investment, which in the case of Barcelona were 14.5% of the total cost. Obviously, the investment in infrastructure which accounts for 85.5% of the costs can be enjoyed after the games (public transport, urban networks, airports, Olympic villages) by remaining available to residents. Although, of course, the part of the long-term public debt that is funded by taxes remains in the hands of the taxpayers too.

Hence it may be said that, in general, the organisation of an Olympic Games is a trigger for urban transformation that allows a dramatic leap

forward to be made in the construction of infrastructure, although, from an economic point of view – given the funding mechanism – the same could be achieved through other more conventional systems with better strategic planning. That is why it must be presumed that other reasons, which are not strictly economic or related to urban renewal, prompt cities to take up this challenge. Where the motives *are* economic, they would fall into the category of the “displacement effect”, whereby an extraordinary motive patriotically justifies greater public expenditure relative to GDP and a consequent tax rise for its funding; however, once normality returns, the public spending continues in order to pay for new expenses and, ultimately, taxes do not fall.

Thus, some factors – prestige, international public diplomacy, attracting tourism, positioning themselves in the world, etc. – may be more important than the purely economic which, in some cases, shows itself to be counterproductive due to its procyclical nature and may even end up bringing about a degree of recession that soaks up the benefits of the growth.

FOUR US OLYMPIC STORIES: THE RISK OF DEATH BY SUCCESS?



Paula de Castro
Project Manager, CIDOB

The US is the Olympic power par excellence. No one has been able to strategically capitalise on the hosting of various Olympic Games to project itself politically and obtain economic benefits as well as the North American colossus. The games have also been an opportunity to develop the infrastructure of the cities that host them and attract foreign investment and tourism. Thus, the summer games in Los Angeles (1932 and 1984) and Atlanta (1996) and the winter games in Salt Lake City (2002) provide an example of how a country can take advantage of these sporting events to promote its values and cities as symbols of national pride. But Atlanta and Salt Lake City, in particular, have also clearly shown the risks inherent in a model in which commercial and corporate considerations play an increasingly large role.

In general terms, the formula that determined the success of the games in Los Angeles, Atlanta and Salt Lake City is based on two specific factors. First, private funding of the games to support the cost of the organisation of these mega-events with minimum public expenditure. And second, the consideration of these sporting spectacles as collective efforts in which the athletes embody US diversity, plurality and values and, as a consequence, are treated as national heroes hoisting aloft the flag of commitment, sacrifice and personal achievement.

The 1932 Los Angeles summer games ran the risk of being suspended because of the economic crisis of the Great Depression and were perceived as Hollywood extravaganza by many at that time. Through its staging, the United States showed the world that it was a country capable of overcoming its difficulties and organising an enormous event, anticipating its role as a leading international power. At the same time as being the country that won the most medals (103), the US helped participating nations who were also suffering from the rigours of the depression by paying part of their travel and accommodation expenses. With the construction of the Olympic Village, Los Angeles became a model for future games: from that time on, the athletes would live in a kind of Olympic camp for the 16 days the games lasted.

In 1984, Los Angeles hosted the games again. On this occasion, instead of the Great Depression, the Cold War formed the context that coloured the staging of the event. In fact, what might have been a failure due to the Soviet Union's boycott – reciprocation for the United States' refusal to attend the 1980 Moscow games in response to the Soviet invasion of Afghanistan – became an economic and political triumph for the country. The key to the success was the reuse of the structures built for the 1932 games and the sponsorship and commercialisation of the games by large private corporations. Such was the success of the private investment that these games passed into history as the first funded almost entirely by the private sector and the first to leave a surplus (around \$232.5 million). From the US perspective, the success of the games was even more profitable politically within the Cold War narrative. And, for good measure, the United States was once again the country that won the most medals (174).

Now, if the 1984 games are remembered for their success in attracting private investment, the Atlanta 1996 games are seen as an example of overexploiting the corporate sponsorship strategy. Private profits were maximised, but the final social perception was negative as greater investment was expected in structural development and the promotion of Atlanta as a model of racial tolerance in the USA. The marginalisation of some parts of the city and the commercial over-exploitation presented the International Olympic Committee (IOC) with a need to regulate the participation of companies in the games.

But it was the winter games in Salt Lake City in 2002 that put the United States successful Olympic track record at risk along with the image of the Olympics themselves. The uncovering of the bribes made to IOC members by the Salt Lake City organising committee to ensure the success of its bid put in question the moral rectitude that the United States claimed to promote. The revelations that millions of dollars-worth of payments and gifts were made by members of the Salt Lake City Organizing Committee (SLOC) to relatives, friends and members of the Olympic International Committee brought corruption practices to light that were deeply rooted in the bidding and award processes and which, in the end, seriously eroded the virtuousness on which the Olympic movement purports to be based.

From the economic point of view, the Salt Lake City games were, once again, a successful case in terms of the profits obtained by private commercialisation of the games (\$2 billion). Equally relevant was the games' symbolism, being held a few months after the September 11th terrorist attacks. The use of the ground zero flag in the opening ceremony and the medals won by Mexican, Cuban and African-American athletes, among others, were presented as a sign of the US capacity for recovery and the validity of the plural, open, melting-pot model at a time marked by the Bush Administration's "War on Terror". In this way, the symbolic and emotional components manage to eclipse – at least during the games – the corruption and bribery scandal.

These four examples illustrate how the USA has managed to forge a very beneficial relationship with the Olympic Games, but one that is not without risks. The private sector has played a key role in ensuring the success of the games held in the US: maximising profits, diminishing the load on

the public coffers (always a controversial issue), and helping the promotion of national interests. Nevertheless, the cases of Atlanta and Salt Lake City expose the risks of large corporations having too large a role, and the balance that cities must achieve between the need not to succumb economically and meeting their local social targets without losing sight of the symbolic value for the nation and its international projection.



Oriol Farrés

Project Manager, CIDOB

In 2001, after two failed bids (1993 and 2000), the International Olympic Committee (IOC) finally awarded Beijing the 2008 summer games. There were different motives behind the decision. First, a change in the international atmosphere allowed a shift from criticising China (over human rights) to a favourable view of its engagement; this also led to it joining the World Trade Organization at the end of 2001. As well as strong governmental commitment and an enthusiastic population (much more so than that of its rivals), Beijing relied on its stunning economic growth at the head of the emerging countries. From this more strategic position, the Olympic Games were able – as happened with Tokyo (1964) and Seoul (1999) – to *formalise* the inclusion of an Asian economic power in the international context.

There were internal IOC motives too, such as the favour of then president Juan Antonio Samaranch, and the awareness that China was rapidly climbing the medal table (from 32 on its debut/return in Los Angeles in 1984 to 100 in 2008) and could be a market and an engine for the Olympic movement. As always, paradoxically, the Olympic Games strengthened both the “international and the national” at once. It spread the values of the Olympics and the opening up to the outside world across China, while at the same time being a supreme celebration of the nation-state, in which China could win pride and international admiration and soothe the trauma of its past “humiliation” at the hands of foreign powers. In the words of then premier, Wen Jiabao (2008), the games were an opportunity to demonstrate that China was “democratic, open, civilised”.

Both the opening and closing ceremonies recapitulated the foundations of Chinese civilisation, but tiptoed around its more recent past, led by the Communist Party. In its “golden moment”, China opted to seduce a global audience of 4.7 billion – the largest in the history of the games – with a narrative and aesthetic discourse more conceived with a foreign audience in mind than a domestic one that does not share the international devotion to the ceremony’s director, the filmmaker, Zhang Yimou.

Priorities. The preparations took place in a virtuous decade for the Chinese economy, with annual growth close to 10% and rising tax

receipts allowing powerful investment without subsequent debt. Beyond the spectacular sporting facilities, a significant part of the total \$40bn spent (\$14 billion in investments alone) went on infrastructure: the stand-outs were the new international terminal for the airport and the extension of the subway network – crucial for easing jams and chronic pollution. There were also new light train lines and two ring-roads. Nearly \$3.6 billion was invested in information and communication technology infrastructure. Another priority was to reduce atmospheric pollution, which had moderate and temporary success: polluting factories were closed in the capital and the neighbouring regions; green areas were also opened up and motor vehicle traffic was restricted to reduce emissions.

Risks and failures. From the start, the authorities' concern was to avoid large or violent protests in front of a global audience. But in March, a few months before the start of the games, the most serious unrest in the Tibetan community for two decades took place, leading to the deployment of troops and hundreds of detentions, before the Dalai Lama asked for the cessation of violence. Pro-Tibet protests also accompanied the Olympic flame in places such as Paris, San Francisco and London, where it suffered various attacks that enraged Chinese public opinion. The same month, the tense relationship with Taiwan was eased by the arrival of the Kuomintang to power in Taipei, which relieved pressure and allowed discord to be resolved based on creativity and the 1989 agreement that established the Olympic participation of both delegations. Another burning issue on the eve of the games was China's controversial support for Sudan in the context of the Darfur genocide, which led Steven Spielberg to resign as the games' artistic adviser.

As well as the political agenda, the weather complicated the games' staging. In January, the heaviest snowfall for decades affected 100 million people. But the most serious catastrophe was, without doubt, the earthquake in Sichuan in May, which caused 87,150 deaths, left 4.8 million without homes and caused losses worth \$200bn. The catastrophe put the Chinese government in a delicate situation, with questions asked about the quality of the buildings that collapsed (such as schools where, according to official figures, 5,000 pupils died). Even if the issue remains thorny in China today, what is certain is that it then aroused a wave of international solidarity which, for sad reasons, eased the staging of the games.

The feared boycotts did not happen at national level and 204 national Olympic committees, as well as more than a hundred state representatives (80 heads of state) attended the opening ceremony – more than at any other games. It was also the first time a US president had attended a ceremony outside American soil, beginning an era of relative amicability in bilateral relations.

Benefits. The Chinese economy's great dynamism prior to the Olympic Games and the outbreak of the international financial crisis just afterwards make it difficult to identify its net yield. It is clear that Beijing's connectivity with the world was strengthened – an aspect in which, despite being the capital, it is behind coastal cities such as Shanghai and Hong Kong. Urban mobility was improved, as was environmental awareness, which has outlasted the games, so that now the authorities are

urged to prevent damage to public health. It also provoked a generalised rise in prices, which has caused the increased diversification of rural migration flows towards other secondary cities. Where the impact was not felt was in tourism, which has not developed to its potential due to the immediate impact of the global financial crisis.

Ultimately, the games were a success in terms of planning and execution, but were not the turning point in political opening up that some predicted. Neither did they cause an advance in the reconciliation of ethnic conflicts: ethnic minorities were portrayed in the ceremonies in a folkloric manner, and in many cases were represented by actors in costume. It was closer to the establishment of a long-term strategy of development and public diplomacy which continued with the Shanghai Expo in 2010 and will go on with the Winter Olympics when they return to Beijing in 2020, when it will become the first city in history to host both games. Though it seems difficult for China to achieve a good result in the winter games medal table, it will serve to continue weaving the network of communications towards the outskirts of the capital, which aspires to be a different kind of metropolis, one that is modern and global.

FROM SOCHI TO RIO: PUTIN'S RUSSIA IN THE OLYMPIC MIRROR



Nicolás de Pedro
Research Fellow,, CIDOB

Russia is an Olympic power. As with all other international actors, its politics and sport normally go hand in hand. Especially when it comes to large-scale sporting events with global impact. In fact, far from being an exception, Russia has been a perfect exponent of this dynamic for decades. Beginning with its first participation in the Olympics in 1952, sport was a propitious field for the USSR to demonstrate the supposed Soviet superiority over the capitalist world. Nowadays, Putin's Russia, without this ideological dimension, is also committed to using large sporting events as a means of political legitimation before global and domestic audiences. Hence, the 2014 Winter Olympic Games in Sochi were conceived as the official presentation to the world of the *new, great, open* Russia that was leaving the traumas of the 90s behind and returning to first place on the international scene.

Sochi was, and is, a personal endeavour for President Putin. The old Soviet riviera would be converted into a "*new world class resort for the new Russia. And the whole world!*", he pledged at the International Olympic Committee (IOC) meeting in Guatemala in July 2007. As well as the Winter Olympics, since 2014 Sochi has hosted the Russian Formula One Grand Prix and it is the Russian president's summer residence, where he often receives the leaders of other countries and holds summits, such as the Russia-ASEAN one held in May 2016. Nevertheless, beyond its place on the Kremlin's official agenda, Sochi is still a long way from being a global point of reference. It does not even seem to be so for local tourism.

During the Sochi games in February 2014 the Kremlin was greatly triumphalist, with President Putin seen on various occasions *enthusiastically celebrating* the victories of Russian athletes. Russia, in fact, finished top of the Sochi medal table. By contrast, surveys made at the time by the independent Levada Center suggest that Russian citizens did not share this level of enthusiasm. Fundamentally, this was due to the high costs and the suspicions of widespread corruption. The initial estimated cost of Sochi was \$12 billion, but it rose as high as \$55 billion, making the Sochi games the most expensive in history, including all of the summer games, which typically require less investment. The issue of overspending seems

more acute when we consider that it is largely attributed to embezzlement and that practically all the funding came from public sources – although partially camouflaged by large state-owned corporations such as Gazprom. In this way, Sochi became a reflection of the prevailing corruption that is deeply rooted in the bowels of Putinist Russia.

Thus, more than the open country announced in 2007, Sochi reflected the Russia where all political dissidence is suppressed. And thus, although it was an isolated incident, the attack of the punk band Pussy Riot suffered at the hands of a group of Cossacks deployed as a paramilitary support force must be mentioned. The members of the group were **gassed, beaten and then whipped** by a Cossack using his traditional *nagaika* (whip) even while on the ground.

“**Sochi today. The world tomorrow**” read the campaign slogan of the public bank, Sberbank, imbued with the pursuit of greatness to which the Kremlin aspires. Unintentionally, the message became ironically premonitory. As the Olympic flame went out in Sochi, the military operation began that would lead to the annexation of Crimea by Russia and the beginning of the war in eastern Ukraine. This, in turn, would result in the progressive distancing from the West and the current escalation of sanctions and counter-sanctions.

This tense, confrontational setting is the context in which the Russian doping scandal arises that has put Russia's very participation in the Rio de Janeiro Olympics in question. The issue exploded in November when a report by the World Anti-Doping Agency (WADA) was made public in which it condemned the “**existence of a sophisticated and well established system of state-sponsored doping within the All-Russia Athletics Federation**”. The report was followed by **journalists' revelations** of details on the workings of this wide-reaching doping system, in which the FSB (the successor organisation to the KGB) allegedly ran a parallel (secret) laboratory in Sochi to falsify Russian athletes' tests. The sudden and unexpected death last February of two former directors of Russia's anti-doping agency, one shortly after contacting a British newspaper, has done nothing but intensify the suspicions.

Given the seriousness of the revelations in the WADA report, the International Association of Athletics Federations (IAAF) has banned Russia from participation in Rio de Janeiro. The first reaction of the Russian sports minister, Vitaly Mutko, was to point to the conspiracy theory according to which the veto had political motivations and was part of the West's “information war” against Russia. That is to say, one more item to feed the Putinist narrative and paranoia about the siege by a *perfidious West* seeking to overthrow him and usurp power in Russia.

At the same time, the Russian authorities sought to refocus the situation and announced their willingness to collaborate with the IAAF. Nevertheless, on June 17th the IAAF communicated its decision to uphold the veto, given the non-compliance with the 44 readmission requirements imposed in November. Finally, in search of conciliation, the IOC, the supreme Olympic organisation, has made it known that they will allow the participation of Russian athletes under the Russian flag – not the Olympic one as was speculated – as long as they demonstrate that they are clean and subject themselves to the checks each

sports federation imposes. At the time of writing, only 2 out of the 136 Russian athletes who have applied for “exceptional eligibility” have been accepted so far. The All-Russian Athletics Federation (ARAF) has appealed the ban at the Court of Arbitration for Sport (TAS) whose decision is expected on July 21.

Russia is back at the centre of the international stage, but neither for the reasons nor, in all probability, in the manner expected by the Kremlin. If Sochi and the doping scandal reflected anything it is not the *new, great, open* Russia announced in 2007, but rather the darker aspects of Putinism: corruption, deception and the central role of the espionage services. The games in Rio have, thus, become a test of the international credibility and propriety of Putin’s Russia. It remains to be seen whether it will finish that test in the medals.

RIO DE JANEIRO: FROM THE SWEET TASTE OF OLYMPUS TO BITTER DISILLUSIONMENT



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The staging of the 2016 Olympics in Rio de Janeiro cannot be disconnected from Brazil's national and international situation in 2006, when it presented its bid, and 2009 when it won the nomination. Then, Brazil was in the midst of a decade of economic growth and prosperity with domestic social advances. This boom was translated to a larger role on the international scene with a foreign policy fit for an emerging power. Brazil demanded prominence in international organisations like the International Monetary Fund, the World Trade Organization, the Security Council and the G20. Along with its BRICS partners (Brazil, Russia, India, China and South Africa) it argued for the revision of an international system that privileged the traditional powers. At the same time it was broadening its alliances with the global south and leading regional cooperation in South America. Like other emerging powers, holding mega-events enabled it to boost its international prestige while generating employment and pleasing the people.

After the 2014 football World Cup was awarded to Brazil, the nomination of Rio as an Olympic host city excited the then president, Lula Da Silva, as well as the public. Rio had previously made six unsuccessful bids (first for the 1936 games and most recently for the 2012 edition). It seemed to confirm what *The Economist* proclaimed and President Lula reiterated after the discovery of the pre-salt oil mega-reserve: God is Brazilian! However, calculation errors and unforeseen circumstances have meant that, in the run up to their inauguration, the Olympics have produced less enthusiasm in Brazil than criticism.

Unfulfilled promises. In the Olympic bid, geopolitics had more weight than economic calculations. Nevertheless, it was expected that the games would favour investment and boost "Brand Brazil". For Rio de Janeiro, it was the chance to carry out urban reforms, regain dilapidated neighbourhoods, expand habitable spaces and introduce environmental measures. But, despite the enormous economic effort, the results have not been those expected.

The enormous city-planning operation to rehabilitate the central area did not manage to attract sufficient investors and left small-scale savers

and pensioners trapped in speculative operations. The Olympic village in Barra de Tijuca became the largest property investment, displacing a low-income population to establish an exclusive neighbourhood. Many of the people evicted from the most central favelas did not receive alternative social housing. Housing prices shot up. Transport remains clogged up and expensive. The new metro line is unfinished and its use is expected to be restricted to spectators during the Olympics. The spectacular cycle lane on the coastal cliff collapsed with two people falling to their deaths.

The Olympic venues are mainly in the rich southern part of Rio. Just like the stadiums dotted around the country during the World Cup, the Olympic infrastructure does not match the future needs of the people. The decontamination of the lagoon had to be left half-finished because of lack of time and excessive costs. As a consequence, the population feels that these games bring more problems than benefits.

Unavoided problems. The problems associated with the construction of facilities and infrastructure demonstrated in previous Olympics were repeated in Rio. There was no shortage of excess costs due to delays and poor planning as well as dubious judgement. The budget had to be revised: in 2009, it was calculated to be R\$28.8 billion; but, by January 2016, it had already reached around R\$39.1 billion (€7.75 billion). Although this cost is much lower than London and Beijing, much of the overspend is attributed to corruption and bribery linked to the large construction companies, such as Odebrecht, and to Petrobras, whose directors are facing an investigation that involves hundreds of politicians. Rio state, which set too much store by the pre-salt oil reserves has gone bankrupt due to the collapse of oil prices and the lack of investor interest. Although the federal government has taken on the costs necessary to finish the works, owing to the indebtedness, the state government has been obliged to reduce public services and delay payments.

The endemic insecurity of the city of Rio was fought and reduced, but not eliminated. The army and the police liberated the favelas, displacing criminal gangs to the periphery without eradicating them. Although international terrorism has not hit Brazil, since the attacks in Paris, Brussels and Turkey, an international event like the Olympics makes alarm bells ring. Security will increase costs and involve measures that will affect the people's day-to-day life. The protests that accompanied the football World Cup could be repeated in a landscape of discontent and social polarisation.

Unforeseen circumstances. Faced with these predictable problems, it was inconceivable that, prior to the Olympics, Brazil would throw in a triple national crisis. The country fell into an economic crisis with two consecutive years of recession (-3.8% of GDP in 2015). The growing fiscal deficit (more than 10%) must be financed with debt at a high interest rate due to its downgrading by the ratings agencies. The weak economic activity increased unemployment and annual inflation of 10% is hitting the middle and less well-off classes.

The poor economic performance brought discontent and the population went out to demonstrate in large numbers against the government, spurring a political crisis without precedent since the return to democ-

racy. On May 12th 2016, weeks before the Olympic Games, the Senate began an impeachment case against the president, Dilma Rousseff. She has been removed from her duties until her possible dismissal is decided upon. The process will be resolved by the Senate in less than three months and may coincide with the games. Meanwhile, the vice-president, Michel Temer, serves as president, leading a government that is at least as unpopular as the previous one, if not more. The Olympic Committee still does not know which dignitary will inaugurate the games. It is an unprecedented situation that is not good for the country's image.

To top it all off, months before the start of the games, a health crisis broke out due to the transmission of the Zika virus via mosquitoes. The health consequences remain unclear, but sportspeople and tourists are alarmed. Although the effects on the participation of both will be limited, the episode has revealed weaknesses in the health system and the living conditions of poor communities.

Missed opportunity or lost bet? What was meant to be a showcase for Brazil, showing the muscle of its global power aspirations, has come at a bad time. The games will probably be satisfactorily staged, as the World Cup was, but the effect on the country's image will leave it greatly devalued. That is why it is a missed opportunity. What is more, the Olympics do not seem to contribute to revitalising the economy, to improve quality of life, or to provide infrastructure to ease day-to-day life. So it does not seem like a lucky bet two years on from a costly world cup. The promises have not been kept, the costs were not realistically calculated, and it does not contribute to social inclusion. Despite it all, Rio, the *Cidade Maravilhosa*, will endure and go on.

THE 1992 BARCELONA OLYMPIC GAMES: THE PERFECT OPPORTUNITY FOR URBAN TRANSFORMATION



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Thirteen gold, seven silver and two bronze medals were won by Spain at Barcelona '92, placing it sixth in the medal table – far and away the best performance in its Olympic Games history. Those were the games of the legendary “Dream Team” – the greatest basketball team ever assembled – of the jumping and sprinting great, Carl Lewis, the virtuoso gymnast, Vitaly Scherbo, and the giant swimmer, Alexander Popov. The last two competed under the flag of the Commonwealth of Independent States, which represented the former states of the old Soviet Union.

“The best Olympic Games in history”, as they were called by the president of the International Olympic Committee. And without doubt, they were a sporting and organisational success. But not only that. With the passing of time the sporting results have faded into the background, becoming an anecdote to go with the strategic plan that had a very clear objective when organising this mega-event: the urban transformation of the city.

Barcelona was chosen as the host of the XXVth Olympics in 1986, the same year that Spain, in the full flow of democratic development, joined the European Union. The games represented, on the one hand, an excellent opportunity for international opening up and, on the other, the urban transformation of a city that was eminently grey and industrial, despite its place on the warm, luminous Mediterranean.

The urban planning was structured into the completion of 12 projects scattered across the city: four were directly related to the Olympic infrastructure and led to a clear improvement of four of the city's neighbourhoods. The other projects were linked to the amelioration of transport, the opening up to the sea and the access to housing and services and involved the ring-roads, the Illa Diagonal shopping centre, the Barcelona Museum of Contemporary Art (MACBA), the Glòries square, Port Vell and Maremàgnum.

This ambitious plan was implemented thanks to two key factors: the rising income of the Organizing Committee of the 1992 Barcelona Olympic

Games – COOB'92 – (\$1.678 billion) and the attraction of Olympic investment (\$8 billion). This investment was put into in road and transport infrastructure, housing, telecommunications, services, hotel facilities and environmental infrastructure. 61% of the investment went on civil engineering, which shows how essential it is to understanding the capacity to regenerate the city. Only 9.1% of the total investment was allocated to funding sports facilities.

The great capacity to attract investment was a success of the public-private management model that materialised with the mixed company, HOLSA, a consortium created by the Barcelona City Hall and the Spanish government. The Olympic works also attracted the interest of private investors, who provided 36.8% of the investment (a third of which came from foreign capital). The private initiative was directed to hotel investment, housing and business centres. The COOB'92 supported its commercial strategy by generating high expectations of the greater attractiveness of the city in prospect.

The excellent organisation and the large investment capacity over six years (1986-1992) had a remarkable social and economic impact on the city and its metropolitan area. The first effects were the fall in unemployment and the revival of the housing market through the construction boom. The general unemployment rate in Barcelona fell from 18.4% in 1986 to 9.4% in 1992 (while in Spain the reduction was less significant, falling from 20.9% to 15.5%).

The tourism boom that followed the Olympics was spectacular. Barcelona Airport went from receiving 2.9 million passengers in 1991 to 21 million in 2002. The games were a turning point for revaluing and repositioning the Barcelona brand on the global stage. It went from being an industrial city to being perceived as an international, avant-garde city that was business friendly and focussed on services, talent attraction and the Mediterranean quality of life.

Construction and tourism capitalised on the first wave of impacts. Over the years, Barcelona has consolidated the deep process of urban renewal, feeding the profits from its respective investments out across society and the entrepreneurial fabric. In fact, the post-Olympic economic impact on the Catalan capital was estimated to be \$20bn, the largest until Beijing in 2008. But the legacy of Barcelona '92 lies less in the economics than the social returns. The improvements to city planning, housing, transport and mobility, cultural institutions, sporting facilities, sanitation and the seafront are the main credentials of the public capital invested. The growth of hotel capacity and quality, of venues and offices, housing, the marina and business parks have been the main beneficiaries of the investment sponsored by private initiative. The Olympic income resulted in better strategic positioning for Barcelona in the world, increased competitiveness and attractiveness, raised income, attracted talent, and brought about greater social cohesion and well-being.

Nevertheless, not all the investments had the same fortune and impact. Some sports facilities, such as the Montjuïc Olympic Stadium and the Horta velodrome have been underused; the great stimulus to the construction and real estate sector opened up the floodgates to urban

speculation; and the expectations of social housing construction were not fulfilled at all. So the process was not all good news.

The government managed to provide continuity to the games with projects developed afterwards such as the Fórum de las Culturas and Plan 22@, which served to regenerate Diagonal Mar and Poblenou, respectively, while stimulating entrepreneurial activity and the climate for doing business. The passage of time, a great ally, has made Barcelona an international reference point for the organisation, investment and impact of an Olympic Games on a city in the long term.

The games were the boost the city needed to enter the world elite alongside cities like New York, Paris and London. This last city took inspiration from the Barcelona model of urban transformation when organising the 2012 games. Sebastian Coe, chairman of the London 2012 organising committee, said that "sport changed Barcelona's image, through creating ... more green space, opening the city to the sea, building housing at reasonable prices, and transforming the city's economy".

Barcelona was able, with great skill and inclusive leadership, to harness the widespread enthusiasm of the civil society to create structures of public and private consensus between the local, regional and state governments that reinforced the games' slogan: "Friends Forever". The bricks and the sun did the rest. It was nice while it lasted.



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Politicians like to boast that if their country hosts the Olympic Games an economic bonanza will follow. They usually add that if the country's athletes win a lot of medals, it will inspire many young people to get into sport. In the run up to the XXXth Olympiad, John Armitt, the chairman of the United Kingdom Olympic Delivery Authority, the body in charge of building the sports venues, argued: "Before the bid our capital city did not have an indoor velodrome, a modern world-class athletics stadium, or the sort of new venues it now has". But as that basilisk observer of international sporting events, Simon Kuper, commented in the Financial Times "London didn't have those venues because it did not need them. London's centrepiece stadium still has no post-games tenant". In other words, politicians are deluding themselves and the public.

Yet the London Olympics were by most reckonings very successful. They might have diverted \$9.6bn of public funds into 16 days of sport, some of which did have some economic impact – notably improved transport and sporting facilities in eastern London – but London's once poor East End has been in the throes of a vast project of rebuilding and gentrification that started a generation earlier when the go-ahead for the Canary Wharf project in the east of the city was given. It could be argued that the Olympic Games played along with a well-written sheet of music. As it is, the 490-acre Olympic Park constructed on a former industrial site at Stratford was developed with an emphasis on sustainability.

London was selected as the host city in 2005, defeating bids from Moscow, New York, Paris and Madrid, thus becoming the first and only city to host the modern Olympic Games three times, having previously done so in 1908 and in 1948. The reaction, in Paris in particular, was bitter: a sign of how keen the competition between the two enemy brothers has become in recent decades. As economists predicted, the Olympics did not prompt a tourist boom, with more visitors staying away fearing fuss and crush than those who visited London. Spencer Dale, the Bank of England's chief economist told Agence France Presse "I don't think it will have a material impact in our projections."

The benefits of the Olympic Games lie elsewhere. In most countries that economists have studied, the games make people happier. They boost self-esteem. This also occurs after countries host a major football competition. In strapped times – London in 1948 just after the end of the Second World War and in 2012 as the UK was emerging with the rest of the West from a painful financial and economic crisis – the games make people feel happier. Simon Kuper sums it up as follows: “Hosting a World Cup or an Olympics is like hosting a party. It is fun. Most people who come have a good time and go away feeling more connected with each other. But you do not host a party to make money. It just costs you money. You have to buy the beer, after all.” Thus viewed, \$9.3bn is probably worth every penny. In a sense, the games were like the Queen’s Diamond Jubilee – the opportunity for a great party.

Of course there is always the risk that things will go wrong, as has happened in Brazil. Brazilians seem to be losing happiness before the games, realising that transfers of money are from the Brazilian taxpayer to FIFA and the world’s football fans, to Brazilian football clubs and the construction companies that are paid to build the new sporting venues. Demonstrators in Brazil chant “We have world-class stadiums – now we just need a country to go around them”. The political crisis which engulfed Brazil last spring does not spell much happiness even as the games get under way. London was an altogether happier affair as the opening ceremony which celebrated the United Kingdom’s history won great acclaim – a combination of the Sex Pistols and Queen Elizabeth flying a mission with James Bond combined with a quirky sense of humour deemed to be particularly English. Many people however cannot forget that within 24 hours of London being awarded the games, the good news for London was overshadowed by bombings on London’s transport system.

The cost of financing the games is separate from that of building the venues and infrastructure and redeveloping the land for the Olympic Park. The cost of the latter two were met largely by public money, the first was privately funded. The original budget for the games increased almost fourfold to \$15.28bn, a not unusual state of affairs for such large projects. There is an increasing realisation however that the Olympic Games are a very costly business. In recent decades only very large megacities have won the competition to organise them; smaller capitals such as Madrid have lost out. The prediction made before the 2002 World Cup by Japanese and Korean government officials that the tournament would boost their economies by \$26bn and \$9bn respectively would be laughed out of court today. Hence the approach to the Tokyo Olympics in 2020 is altogether more modest.

Beyond the questions of whether Olympic Games cost too much to organise or make the hosts feel happier, they undoubtedly help to burnish the overall brand name of a city. London today, with its cosmopolitan mix of people unlike anywhere else in Europe, is arguably the most influential city in Europe, in the same league as New York, Shanghai and Bombay. Home to a 150,000-strong financial industry and 40,000 journalists – the greatest such gathering in the world – it boasts soaring house prices but also 32,000 people every night attending a theatre. To the chagrin of its southern neighbour, France, it attracts 300,000 young working French men (in sharp contrast, British residents

in France are essentially retired people). Some of its leading lights like to think of modern London as the true heir to ancient Greece, helped by a language, English, which is the lingua franca of the modern world. Like its forebear it benefits from the rule of law and like Renaissance Florence it has built artistic triumphs on economic success. This view of London might be somewhat arrogant, a mite condescending but it is shared by people well beyond the banks of the Thames. Consciously or not, the success of the Olympic Games in 2012 was part of the myth and reality that every great city is.

ATHENS 2004: PRELUDE TO THE CRISIS?



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Are the Olympic Games always an engine of growth and development? Or can they also become the prelude to crisis and profound change? The Athens 2004 games were meant to be the icing on the cake of Greece's transformation into a modern country. It was fully integrated into the European project two decades after joining the EU and a few years on from adopting the euro as its currency. Nevertheless, the games were to end up being a symptom of what happened ten years later, when Greece was engulfed by a deep economic crisis and the transformation of its political system.

Athens bid to host the 1996 games, which were ultimately won by Atlanta. That year the centenary was celebrated of the first modern Olympic Games in Athens in 1896. Thanks to the symbolic element of that anniversary, the city began as the favourite for nomination but, in the last two rounds of voting, the jury opted for Atlanta for reasons both of continental rotation and the fear that the Greek capital would not be able to meet the necessary construction deadlines. Certain indicators already signalled the future complications of the Athens-Olympic Games pairing, but the disappointment was alleviated in 1997 when Athens was chosen to host the games at the International Olympic Committee's (IOC) meeting in Lausanne.

The Sydney games in 2000 set a high bar. The then president of the IOC, Juan Antonio Samaranch, said that they were the best in history in terms of organisation. The central parties on the Greek political scene made efforts to demonstrate that the public investment would be large enough. The social democratic PASOK government began the preparations under the leadership of Costas Simitis, running up high volumes of public expenditure that on more than one occasion led to accusations of corruption and the diversion of EU funding.

When the conservative New Democracy party won the March 2004 elections as a consequence of these scandals, it sought to capitalise on the success of the coming Olympic Games. At that time, the public deficit was 3.2% and the public debt – over 100% of GDP – had been spent on infrastructure for the games. Both PASOK and New Democracy justified

the \$16bn spent on the games (according to various calculations) by citing the profits that would arrive in the form of investment, tourism, jobs, the opening up of the city and the country to the rest of the world, and the infrastructure and urban planning development.

In terms of investment the games had two faces. On the one hand, the city of Athens renovated and extended its subway line and built a new airport. But on the other, the Olympic facilities provoked reasonable doubts about their reuse and the costs of their maintenance. The jobs produced were characterised by their low quality, temporary nature and poor pay, and on many occasions they extraordinary costs were incurred, like the security system that ended up costing 20 times more than the budgeted amount. Some argued that the Greek economy, small and with a loss-making productive system, was unable to fill the economic hole that an Olympic Games opens up. The current state of the Olympic facilities and the high price of maintaining them demonstrates the lack of a long-term strategy and vision on the part of the authorities in charge of the event.

If there was a political movement that spoke out against the organisation of the games it was the extreme left, which focussed much of its criticism on the debt that the games would leave for future generations. Both the KKE (the Communist Party of Greece) and Synaspismos (the leftist coalition today's Syriza grew out of), warned of the unfeasibility of staging the games. At a time of economic boom, the criticisms did not get through to the Greek society. In the 2004 election, the KKE and Synaspismos got less than 10% of the vote, while PASOK and New Democracy received 86%. When Greece's sovereign debt crisis hit in 2009 the ghost of the games was revived.

The elections in May 2012 brought Syriza in as the main opposition party. At the time, Alexis Tsipras stated that the growth rates in the last decade (which reached 7% and 8%) had not translated into greater well-being for the Greek citizens but into growing inequality. He accused the governors of PASOK and New Democracy of passing on the profits of growth to the country's oligarchies, which benefitted substantially from the Olympic Games contracts. In 2014, ten years after the games and deep in a full-blown economic and financial crisis, the Greek people saw that holding the games was a bad investment that contributed to increasing the Greek debt and deficit and left behind an unpayable legacy.

Syriza won the elections in January 2015 thanks to a message of renewal in Greek politics and a promise to end austerity policies and fight inequality. The 2004 Olympic Games were more proof of the bad political and economic praxis of the traditional political parties. For some of their leaders, when the Greek public debt reached 120% of GDP in 2009, triggering the Greek crisis, this was in part due to the useless infrastructure built for the games and a culture of "artificial enrichment" in the country. Unlike the experiences of other Olympic Games that championed development, the handling of the Athens games was taken advantage of by Syriza to demonstrate the existence of extractive elites and the need to renew the Greek political and economic scene.



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Istanbul's Olympic candidacy has been persistent. It has put itself forward to organise the summer games on at least five occasions and was a finalist in the selection processes for the 2000, 2008 and 2020 Olympic Games. This determination is part of a strategy meant to consolidate Istanbul as a global city and position Turkey as a rising power. Another highly symbolic factor must also be considered: the Olympic Games have never been held in a Muslim-majority country.

Each and every one of these arguments have been put on the table every time Istanbul has presented its bid. Nevertheless, the ancient imperial capital's majesty, its position as a city straddling two continents, and the economic growth that Turkey has undergone over the last decade have never been enough to convince the jury that Istanbul is the best option.

Istanbul came close to being awarded the 2020 games. In the vote that took place in Buenos Aires on September 7th 2013 it beat Madrid into a distant third place. But the defeat to Tokyo was clear (60 votes to 36). Hopes in Istanbul had been extremely high and the way the then prime minister, Recep Tayyip Erdoğan, took the defeat speaks for itself. The current president and former mayor of the city called the decision unfair and accused the jury of having turned its back on the Muslim world.

In an article published in the magazine *Turkish Policy Quarterly*, Hasan Arat, then president of the Olympic bid, explained that his strategy was not so much to explain why Istanbul was the best candidate in general but why it was the best candidate at that time. However, the timing worked against the interests of the Istanbul 2020 bid. Only four months had passed since the mass protests against an urban development project in Gezi Park resulted in a cycle of anti-government demonstrations that were harshly suppressed and which the Turkish government presented as a great conspiracy with international ramifications. An increasingly tense Middle East situation, with ever more visible consequences for Turkey in the form of refugees and bilateral crises with various governments in the region only added to this. The political and social tension along with the proximity of the conflict in Syria counted against Istanbul.

Many factors are weighed when choosing a city to host the Olympic Games and, paradoxically, sport is not the most important. It is a political, economic and symbolic decision in which security and cultural factors also figure. Although having been a finalist may provide a degree of comfort, so many accumulated failures oblige us to reflect on the factors that are holding Istanbul back from hosting and organising an Olympic Games.

The first factor – not exclusive to Turkey – are the doubts about emerging economies. Over recent years, Turkey has pushed to be associated with the BRICS club and to present itself as an active member of the so-called “Global South”. Beijing and Rio de Janeiro having previously been selected to hold the 2008 and 2016 games, respectively, seemed to show that the concept of “emerging economy” looked good on a covering letter. However, the fact that many of the emerging economies – the Brazilian among them – have recently fallen into crisis, and the constant speculation over the sustainability of the Chinese economic model, means a change of strategy is needed from now on.

The second factor is insecurity. The last time Turkey made a bid, security was already one of its negative points. But back then the ceasefire with the Kurdistan Workers’ Party (PKK) was still in place and negotiations had begun between that group and the Turkish intelligence services. Syria was at war, but Turkey seemed to be containing the problem on its borders, and the threat from the Islamic State organisation was seen as secondary. Both factors have since changed. On the one hand, the peace process with the PKK has been replaced by one of the worst cycles of violence for decades, during which the violence has moved from the mountains to the cities; on the other, the Islamic State organisation has become a global threat and has Turkey in its sights. The attacks Turkey has suffered in the past year are a heavy blow to tourism and the strategy of making Istanbul a meeting point for large business, academic and sporting events.

The third factor is a lack of international support, or, better said, the growing number of countries that have become Turkey’s enemies. The former prime minister and foreign minister, Ahmet Davuto lu, designed the doctrine of “zero problems with neighbours”, but in practice Ankara has had to face various diplomatic crises with Egypt, Syria, Israel and Russia in addition to its difficult relations with Armenia and Cyprus. It is interesting to recall that a year after the vote on the Olympic bids in Buenos Aires, Turkey suffered another defeat when it was not chosen to be a non-permanent member of the United Nations Security Council. At the time, there was speculation that certain states with problematic relations with Turkey had carried out a diplomatic counter-offensive to strengthen alternative candidates. It would be no surprise if something similar had happened with the Olympic Games.

Istanbul deserves to host an Olympic Games, but without economic consolidation, without stability and without reconciliation with old and new enemies, the city will remain the eternal candidate.