Local Development Benefits from Staging Global Events

Greg Clark



OECD

Local Economic and Employment Development (LEED)

Local Development Benefits from Staging Major Events

by
Greg Clark



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

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Foreword

The OECD LEED Programme has been concerned with the issue of how major international events can help to promote local development for many years. The success of the Barcelona Olympics in 1992 reminds us of what other places had achieved, Montreal EXPO in 1967, the Sydney Olympics in 2000, and the recent Winter Olympics in Turin to name a few.

At the OECD LEED Programme we are concerned not just that such events are successful and good value for money, but with what part they can play in boosting tourism and in promoting local economic and employment development.

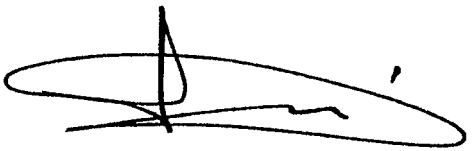
The sheer range and interest in such events is growing widely. A new age of nations and localities hosting global events is upon us. The rivalry to stage Olympic Games, World Cups and Championships, Cultural Festivals, EXPOs, and Global Summits is more intense than ever before. Despite widespread virtual communication, large scale gatherings of this kind have again become extraordinarily popular. China will shortly host its first Olympics and first EXPO (Beijing 2008 and Shanghai 2010). India will host the Commonwealth Games (Delhi 2010), Russia its first winter Olympics (Sochi 2014), and South Africa its first Soccer World Cup (2010). The hosting of such global events is one way that the globalising cities of these fast growing economies can accelerate their development into 'gateway roles' for their nations. Such gateway roles require high spec buildings, enhanced logistics, advanced infrastructure, and a great quality of place.

Moreover, the competition to host the 2012 Olympics was the most intense ever. London's eventual victory over Madrid, Paris, New York, and Moscow, emphasised the notion that such global games are for leading global cities to host, gave the games themselves a boost, and ensured that Chicago, Madrid, Tokyo, Rio and others would line up to bid for the 2016 hosting rights.

We invited one of the leading experts, Greg Clark, to undertake this review to help us assess what are the factors of success and failure, the dos and don'ts of hosting such events and we are pleased to publish these here in this ground breaking report.

Greg is chairman of our OECD LEED Forum Development Agencies and Investment Strategies, which is managed by Debra Mountford, who has collaborated extensively with Greg in the preparation of this book. I am very grateful to both of them.

Given the huge international interest in this topic, the OECD LEED Programme will take forwards this theme through seminars and detailed case studies over the next period, in order to build the international knowledge base on the subject.



Sergio Arzeni
Director, Centre for Entrepreneurship, SMEs
& Local Development

ACKNOWLEDGEMENTS

This work stream within the OECD LEED Programme is managed by Debra Mountford. She is Senior Policy Analyst and Manager of the OECD EED Forum on Development Agencies and Investment Strategies, and edited this publication. Greg Clark, author of this book, is a city and regional development advisor, speaker and facilitator with over 20 years of experience, principally in London. Internationally, he has had advisory roles with many cities and regions, as well as with governments and intergovernmental organizations. He currently holds a portfolio of core roles: including Senior Fellow, Urban Land Institute, EMEIA, Lead Advisor on City, Regional, and Economic Development at the Department for Communities and Local Government, UK, Chairman of the OECD LEED Forum of Development Agencies and Investment Strategies and Advisor to the British Council, on City and Regional Development. He is Visiting Professor in City Leadership at Cass Business School, City of London University.

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Preface

Barcelona and the 1992 Olympics

It is now 16 years since Barcelona hosted the Olympic Games in 1992. The modern transformation of Barcelona began with preparations for the 1992 Olympics. Faced with serious problems of urban decay in both inner and peripheral districts, we took a holistic approach and used the Games as a vehicle for city-wide reform.

For us, the Olympic Games were an opportunity to tell the world about Barcelona, a great city whose story was not well told in those days. Barcelona had been the cradle of the industrial revolution (the Manchester of Spain) but was not recognised in those days as leading city. Years of decay and political domination had made Barcelona less confident and outward looking. But the games gave us the opportunity to change all of that forever. Olympic facilities were spread over four neglected urban areas, with the Olympic Village developed on abandoned industrial land close to the coast. Since then, there have been growing levels of private investment and infrastructure development, and the city is currently undertaking some of the biggest development projects in Europe. Together these factors have meant that Barcelona was ranked *fDi Magazine's* "City of the Future" in 2004/5. [1]

When we look back we can remember that the Olympic Games gave us an opportunity to think big and plan afresh, they provided the reason to do things on a larger scale. The Games were also a great rallying initiative for the city, bringing the people, the business, other institutions and the city government together in a consensus about the long term development of the city which has lasted for 16 years with great vitality. The Games created an unstoppable momentum for us.

Barcelona used the Olympics as the organising idea for a new kind of strategic planning, one that looked deep into the future, and long back at our past, and enabled us to believe that we could be a leading city once again. The Games also left a very tangible legacy of improved architecture, infrastructure, and new development potential, as well many new amenities and facilities which we managed in ways that enabled ordinary citizens to enjoy and use fully. This practical legacy was as important as the global

repositioning that we achieved, it gave our citizens and investors a strong local dividend from the Games themselves.

Today, in Barcelona, we continue what we started in 1992, with the further expansion and modernisation of the city. Much of the infrastructure and real estate development underway now is to further develop Barcelona as an internationally competitive knowledge hub, based on the original ideas of 1992.

In the inner-city area of Poblenou, behind where the Olympics were concentrated in 1992, a 3.2 million m^2 lifestyle and technology zone called 22@ is under development. A municipal company (22 ARROBA BCN, S.A.) was created in 2001 by us, at Barcelona City Council, to promote and manage the project. It is converting the area into spaces for advanced services, new-generation technological and knowledge-based activities: research and teaching, design, publishing, culture, multimedia and biomedicine. The Plan also allows for the construction of subsidised housing, businesses, offices, hotels and public facilities. The investment from the Infrastructures Plan totals EUR 162 million, and it is estimated that the property development potential will total EUR 12 020 million.

The spaces within this project include, amongst others, 22@media in which the Audiovisual Campus will have 60 000 m^2 of roof space and the Mediapro Group and the municipal organisation 22@bcn will build an audiovisual production centre with sets and offices; 22@ict which includes efforts to attract companies from the information and communications technologies sector (Indra, Auna, TSystems) and will be aided by projects including a building designed for SMEs working in the areas of software and telecommunication); 22@campus which includes the Campus Tecnològic i Empresarial (Technology and Business Campus), located in the vicinity of the Forum space, which will be the physical headquarters of the new Industrial School and 22@entrepreneurs which features the construction of the Edifici Emprenedors (Entrepreneurs Building), which will be complemented by fixtures that the Local Development Agency Barcelona Activa already has in District 22@.[2]

The city is also in the middle of an international drive to promote itself as southern Europe's principal logistics and distribution zone, especially for goods from China and Latin American countries. The Infrastructures and Environment Plan of the Llobregat Delta, the 'Delta Plan,' involves massive upgrading of the capacity of the port, airport and logistics zones, the improvement of the road network and connection to the European gauge rail network. The first action of the Delta Plan is the diversion of the mouth of the river two kilometres further south. The reclaimed land will make it possible to double the current port area, to cover a total of 1 300 hectares.

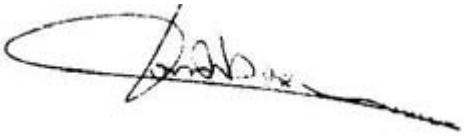
The works outlined in the Master Plan of the Port of Barcelona up to the year 2011 involve a total investment of EUR 1.773 billion, which will be footed by public and private investors. Of this total volume of investment, about 30% of the total, some EUR 531 million, for superstructure, facilities and handling equipment, will be financed by the private sector. The remaining 70% of the investment, EUR 1.241 billion, corresponds to infrastructure *per se*, which will be financed with EUR 1.045 billion of public money and EUR 195 million of private capital.[3]

The airport expansion part of the plan will allow for an increase in maximum capacity of up to 40 million passengers per year and 90 takeoffs and landings per hour. This project includes the construction of the third runway (operational since 2004), a new central passenger terminal (operational in 2007), a station for high-speed trains (expected completion in 2007), internal connections, expansion of the cargo loading area and improved access by road, train and metro. Expected investments totalling EUR 4 411 million will occur up to approximately 2010.[4]

In terms of the other infrastructural development, the Barcelona administration have planned up to 25 road, railway, underground and tramline projects in the Llobregat Delta region to alleviate the congestion problem and improve both intra-region mobility and international accessibility. Spanish President José Luis Rodríguez Zapatero has recently announced that the high speed train will reach Barcelona in December 2007, in line with the Ministry of Public Works' timetable for connecting the city with Madrid by end of 2008.[5]

All of this current urban development can be traced back to the local impact of the 1992 Olympics in Barcelona. The Games were the catalyst for all that has followed. Population and business growth in Barcelona is rapid and dynamic and the confidence that brings these was also the product of the big step forward that Barcelona took with the 1992 Olympics.

I welcome the publication of this book which highlights the many practical ways in which cities can ensure that hosting major events helps to promote urban development which is good for citizens and great for the future of the city. I hope that the book will be widely disseminated and debated.



Jordi Hereu
Mayor, Barcelona

Notes

1. 'European City of the Future 2004/5: Barcelona' FDI Magazine, October 2004 (www.fdimagazine.com/news/fullstory.php/aid/885/European_City_of_the_Future_2004_5:_Barcelona.html).

2. 'Barcelona City Projects. 22@' (http://w3.bcn.es/fitxers/bcn-negocis/a22eng.175.pdf).

3. Port of Barcelona, (2004), 'The Logistics Gate of Southern Europe', www.apb.es/en/APB/Press/files/Dossier_press2004.pdf.

4. 'Barcelona City Projects: Plan for the Llobregat Delta', http://w3.bcn.es/fitxers/bcn-negocis/apladeltaeng.793.pdf.

5. 'Zapatero announces the high speed train will reach Barcelona on 21 December' Barcelona City Council, August 2008, http://w3.bcn.es/V01/Serveis/Noticies/V01NoticiesLlistatNoticiesCtl/0,2138,1653_35144087_3_303886822,00.html?accio=detall&home=HomeBCN&nomtipusMCM=Noticia.

Executive Summary

This book identifies how staging international events works as a trigger for local development, and what hosting cities and nations can do to ensure that a positive local legacy and wider benefits are realised. It reviews experience from more than 30 cities/nations and it looks forwards to future events yet to be hosted. Staging international events works as a catalyst for local development, but hosting cities and nations have to take precise and dedicated steps to ensure that a positive local legacy is realised. Whilst the hosting of major international events can be seen as an end in itself, it is also an unrivalled opportunity to get other things done by a nation or a city. It is not a reason for putting them off. Events bring:

- Immovable deadlines and the disciplines that come from them.
- A global audience and professional evaluators.
- Additional investment from external sources.
- Increased visitors who will pass judgement, including intense media exposure.
- Intensified local engagement with citizens, firms, and institutions.
- A chance to celebrate human skills and endeavour.

We often use the word ‘legacy’ to describe the post event benefits, but it is important to stress that local benefits can come before the event is actually hosted, or even just through bidding. Such benefits can also be economic, social, and environmental, as well as in infrastructure and amenity. So, in this book we refer to local development ‘benefits’ and by this we mean:

- Economic, social, and environmental improvements.
- Physical facilities and infrastructures.
- Brand, Image, Reputation, and Identity.
- Positive results that happen before, during, and after the event, or just from bidding.
- Wider multipliers effects that occur as consequence of direct benefits.

- Civic, institutional, governance, self confidence, and related progress that may occur.

In this book, all of these are considered to be 'local development benefits', but we will also refer to them as 'legacy and leverage'.

The local development benefits of the event provide an additional spur to make the event a major success. It helps to justify the investment required for the event, and to ensure that the wider purpose is well defined and executed. The local development benefits are a key justification for the event itself, for the investment and the effort made. Too many events have left places worse off, with expensive facilities that have no post event use, and a big bill to pay into the future.

It is for these reasons that awarding bodies of international events have laid ever increasing stress on the importance of a durable legacy from the events. It is bad business to encourage cities, regions and nations to host such events but to leave them impoverished by the process of doing so. That is why the ICC, FIFA, IOC, BIE, and many others now insist upon active legacy plans for all candidate hosts, and why the scope of the legacy and the sustainability of the event, is seen as key to the attractiveness of any bid or candidature.

Hosting major events is an important means to accelerate existing plans and policies and deliver enhanced investment. Major events are a tool or catalyst to implement existing priorities, not an alternative to doing so.

Major events can also offer exceptional opportunities to define the identity, values, unique assets, and long term contribution of a nation or city to the global realm (in economy, society, and environment). It is important to have a clear and compelling story about the nation and its future to communicate through the hosting of such an event.

Because such events bring a 'global audience' to a nation or city for a period of time, there is a unique opportunity to brand and communicate. However, the presence (both real and virtual) of such an audience, and the world's media, will also uncover and highlight weaknesses or confusions in the character of the hosts. Therefore, getting the message clear and distilling the values and identity is an essential task.

A legacy and local benefits programme should be driven by robust leadership and implemented with dedicated resources and skills which are distinct from the efforts required to host the event, but co-ordinated effectively with them.

There are also risks to manage. A successful outcome relies upon both realising benefits and also upon reducing risks and costs. As we shall see, there are many dimensions to both.

These local benefits include improved environment, infrastructure and amenities, global exposure, increased visitor economy and tourism, trade and investment promotion, employment and social/business development. They can also include increased self confidence, national pride, civic engagement, and an enlarged ambition to embrace globalisation, and make the necessary adjustments and interventions to succeed. Capturing local benefits from global events does not happen automatically or by accident.

Benefits may be characterised as 'primary' and 'secondary' to indicate the time frame within which they occur, rather than overall significance. Primary benefits may well overlap temporarily with secondary benefits if they are longer-term in nature.

Primary benefits:

1. Alignment of the event with sector and business growth strategies in the city or nation.
2. Private-public investment partnerships.
3. Image and identity impacts attracting increased population, investment, or trade.
4. Structural expansion of visitor economy and supply chain development and expansion.
5. Environmental impacts, both in built and natural environments.

Secondary benefits:

1. Post event usages of improved land and buildings.
2. Connectivity and infrastructure legacies.
3. Labour market impacts and social/economic inclusion.
4. Secondary impacts in the property market.
5. Global positioning, events strategy going forwards, and project management capability.

The most successful host countries and cities have a long term plan that the event helps them to implement, and a dedicated management effort aimed at securing the benefits and the legacy for some time before the event

is staged, and for several years afterwards. Put simply, when international events are hosted well, they become a catalyst for urban development and global reach, famously in Barcelona and Turin, and perhaps shortly in Beijing and Shanghai.

Who has benefited?

Understanding the urban development benefits that come from global events is best illustrated by what has been achieved by selected cities in the past and what is planned for the future. A table is presented at the end of Chapter 1 which assesses the chief urban development impacts of previous events that have been hosted. The events are grouped into four categories:

1. Trade fairs and exhibition events, *e.g.* The EXPO and others.
2. Cultural events, *e.g.* The Capital of Culture and others.
3. Sports events, *e.g.* The Olympics and others.
4. Political summits and conference events, *e.g.* G8, Earth Summits and others.

These four groups represent the broad range of events that cities and nations now seek to host, although there is great diversity within each group and substantial differences between them.

This book reviews the international experiences, explains how a local benefits and legacy programme can be developed, and identifies the key factors of success and failure in ensuring that global events produce long term local benefits. Understanding how a global event can be so effective in promoting local development and recognising the factors of success and failure is the focus of this book.

Chapter 1.

Introduction: Making Global Events Work Locally

Are global events still important?

A new age of nations and localities hosting global events is upon us. The rivalry to stage Olympic Games, World Cups and Championships, Cultural Festivals, EXPOs, and Global Summits is more intense than ever before. Despite widespread virtual communication, large scale gatherings of this kind have again become extraordinarily popular. The global age is renewing the demand for global events. In part this is explained by the worldwide media attention and sponsorship that such events now generate. But it is also substantially explained by the local benefits and legacy that can be achieved for the place that hosts.

Capturing local benefits from global events does not happen automatically or by accident. The most successful host countries and cities have a long term plan that the event helps them to implement, and a dedicated management effort aimed at securing the benefits and the legacy for some time before the event is staged, and for several years afterwards. Put simply, when international events are hosted well, they become a catalyst for local development and global reach, famously in Barcelona and Turin, and perhaps shortly in Beijing and Shanghai.

Despite the widespread assumption, several years ago, that the growth of Information and Communication Technologies (ICTs) would mean the 'death of distance' (Cairncross, 2005) and the end of global travel, and that we would all interact virtually instead, the trend is actually towards more travel and a greater importance placed on both global events and wider opportunities for face to face interaction. In a global world, global events are more important.

Despite arguments that, through ICTs, and through new trade agreements, the world is now 'flat' (Friedman, 2005), much evidence points to the increased concentration of activity being in some parts of the world rather than others; the world is in fact 'spiky' (Florida, 2005).

Large scale global events have become more popular not less, and there is worldwide search for the best practices in making such events good for the places that host them. Securing local benefits from the hosting of global events is now an important quest.

If ever there was the suggestion that global events are to hold less significance in the 21st century, recent visitor numbers speak for themselves. Table 1.1 traces visitor numbers to two global events over the past 15 years, showing (after city-size is factored in) a relatively consistent visitor base:

Table 1.1. Visitor numbers to two global events (1992-2005)

Event	World's Fair (Expo)		European Capital of Culture	
Year	(millions)	Host city	(millions)	Host city
1992	41	Seville		
1996			7	Copenhagen
1997			1.5	Thessaloniki
1998	10	Lisbon		
2000	25	Hanover		
2001			1.25	Porto
2002			1.6	Bruges
2002			2	Salamanca
2005	22	Aichi		

Quite apart from visitor numbers, there is plenty of evidence that a wide range of actors continue to attach huge significance to all sorts of global events. Architecturally, for instance, global events remain an implicit element of the promotion or construction of 'iconic buildings' that are fundamental to the city or national image being promoted. One only has to think of the lasting images of the Sydney Opera House that were associated with the Sydney 2000 Summer Olympic Games, the Sopporo Dome Stadium with its 'floating' grass pitch in Japan for the 2002 FIFA World Cup or the Gleneagles Hotel that hosted the 2005 G8 Summit to appreciate this.

Along a similar vein, the UK super-casino debate is an important indicator of the level of interest and engagement displayed by cities operating in a globalised world. The controversy that surrounded first the competition between cities to host the UK's first 'super-casino' in early 2007 and subsequently the review of the government's support for the project in July of the same year is indicative of just how many interest groups value projects of international significance and how heated the

debate can be. Cities are aspiring to achieve truly international profiles and the range of 'event vehicles' available to them is broader than ever.

So the idea that successful large global events are no longer popular and a thing of the past is simply not accurate. What is clear is that success can take on many different forms, and there are many more choices that a visitor now faces in deciding which events to attend.

Further, recent experience of cities hosting large scale events shows that:

1. There is still a significant demand for participation in events and sponsorship of them. This has increased with the new global governance that requires regular opportunities to meet and reach agreement as well as to consider major obstacle and breakthroughs in knowledge and understanding of global challenges. (See the case studies on Johannesburg, Edinburgh, and Rio de Janeiro.) Events that align themselves with major breakthroughs in science and technology, linked to massive global challenges such as poverty, climate change, human biology and health, space, etc still attract major participation.

2. The global economy has fostered a new international division of labour which has seen supply and distribution chains more broadly cast than ever before. The growth of digital technologies has made much international communication routine, and this has put a unique premium of key moments of face to face interaction between people. This is especially true in the growth sectors centred on innovation and creativity where a very large number of smaller firms abound. Face to face interaction is viewed as central to relationships and transactions that require trust (e.g. involve substantial risks and resources) and/or require creativity and innovation (e.g. involve a 'fusion' or 'invention' of new products, processes, or content, between people who work in different locations). In financial services and insurance dense interaction is often required to complete major deals. Proximity is key to benefits of interaction, and events provide a means for proximity to become real rather than virtual for periods of time.

3. The opening up of global markets has created new branding and promotional opportunities for both cities and firms. Major events are important branding opportunities not just for the cities that host them, but also for the firms who offer sponsorship, and for those who attend and participate providing the offer is structured well. Events provide branding and marketing opportunities for host cities/nations and their key private sector sponsors, providing them with opportunities to market to global audiences through mass ICTs, and to position themselves effectively.

4. The pursuit of world class performance is also a major driver of global events. In the global era it is important for progress to be measured in global terms and for national elites to position themselves relative to the global competition. Events provide opportunities for people (innovators, sportspeople, artists, speakers, etc) to test themselves against the best on a global stage.

5. Overall business travel is up rather than down and with changes in corporate ethics and governance, as well, as ICTs reducing the need for face to face interaction for routine transactions. Events provide opportunities for firms to legitimately incentivise clients and employees through sponsorship of their participation in an era where other forms of incentives are less acceptable.

6. Some of the biggest global events, such as the Summer Olympics, are increasingly only being hosted by some of the world's biggest cities, such is the scale of requirements and level of expectation placed on host cities. Smaller cities simply may not be able to compete with the likes of Sydney, Athens, London or Beijing and so event selection has become very important.

7. Participation can come from a wide range of places including local, national, international sources. It appears important to design events to appeal to a multiplicity of audiences and to offer different menus of activity and engagement. Events are increasingly multi-dimensional and integrated offering cultural, commercial, and leisure opportunities as well as staging major activities such as exhibitions and sporting contests.

Why have global events become more popular not less?

1. The new global governance of WTO, G8, UN, OECD, IMF, etc needs regular global summits and linked events to foster debate and decision taking and to build an interactive 'real time' dimension to the increasingly globalised economy.

2. The growth of digital technologies has made much international communication routine, and this has put a unique premium on key moments of face to face interaction between people. Face to face interaction is viewed as central to relationships and transactions that require trust and/or require creativity and innovation, or moments of intense competition.

3. Globalisation of value chains has led to key industries and sectors being widely dispersed across several continents, reducing the intimacy and

consciousness of chains themselves, giving rise to an explicit need to bring key figures together at key moments.

4. Events generate global audiences and provide branding and marketing opportunities for host cities/nations and their private sector sponsors, providing them with opportunities to market to global audiences through mass ICTs, and to position themselves effectively.

5. They provide opportunities for people to test themselves against the best on a global stage. Competition is key to spurring innovation and promoting excellence.

6. They provide opportunities for firms to legitimately incentivise clients and employees through sponsorship of their participation in such events, without being perceived as offering illegitimate rewards.

City authorities may use events in a number of roles: short-term, high profile events thought of in terms of their tourism and economic impacts, or as tools of government policy, or even expressions of political preferences. They may also be seen as catalysts of development, means to commercialise cultural products and expressions, spectacles to be show-cased, or a means to announce and show-case wider progress, creating a sense of visibility and 'arrival'.

What are the local benefits of hosting global events?

In broad terms, the following are benefits that might reasonably be expected but, of course, are not guaranteed, to result from the hosting of global events. Benefits may be characterised as 'primary' and 'secondary' to indicate the time frame within which they occur, rather than overall significance. Primary benefits may well overlap temporally with secondary benefits if they are longer-term in nature.

Primary benefits

1. Alignment of the event with sector and business growth strategies in the city or nation.

   The requirements of the event can be used to catalyse existing development and growth strategies, either at sector, business or city level. Effective management of the event in this manner yields significant benefits for cities looking to prioritise and accelerate their development goals.

2. Private-public investment partnerships.

Increased cooperation, in the form of partnerships, between the private and public sector are increasingly seen as a key means by which to achieve development goals. The costs and benefits often associated with global events present ideal opportunities for public-private investment partnerships that can serve wider urban development goals.

3. Image and identity impacts attracting increased population, investment, or trade.

   The media exposure associated with a global event provides an ideal opportunity for the promotion of a city brand or identity. In an increasingly urban world, the need to differentiate is ever-greater and opportunities to embed a city's unique assets in the 'international imagination' are valuable.

4. Structural expansion of visitor economy and supply chain development and expansion.

   Visitors coming to the city for the event will contribute to a more buoyant visitor economy, with money they spend causing a multiplier effect on incomes throughout related supply chains. Well managed events can attempt to focus this multiplier effect to local businesses and supply chains can therefore develop and expand to take advantage of increased business.

5. Environmental impacts, both in built and natural environments.

   Both the built and the natural environment can greatly benefit from the investment and strategic planning involved in hosting a global event. With global attention turning on a city with the arrival of the event, city authorities can justify using funds to carry out much-needed, but perhaps not previously top priority, work on the built environment to give it a good facelift. Increasingly, ensuring the event is managed in an environmentally conscious manner is becoming a higher priority in terms of city branding as well. Not only can this reduce the environmental impact of the event itself, but it can have wider benefits in changing business and social practices throughout the city and its region which last far beyond the event itself.

Secondary benefits

1. Post event usages of improved land and buildings.

   Events may require land and buildings for specific purposes, but their use after the event is only restricted by practicalities and the imagination of the designers and planners. Cityscapes can be transformed by new

buildings or land reclamations that subsequently serve local communities and contribute to urban development strategies.

2. Connectivity and infrastructure legacies.

   Transport links and other infrastructures constructed for the event are one of the most visible lasting legacies for a host city and can have real impacts on social inclusion if targeted at previously excluded groups.

3. Labour market impacts and social/economic inclusion.

   Hosting a global event stimulates significant temporary employment to prepare for such a large undertaking but can also generate long term employment if the event is used to expand business sectors and implement structural change to the local economy. Specific efforts can be made to use the temporary employment created to provide qualifications for low-skilled workers who can then go on to find better employment, thus contributing to social and economic inclusion through processes of cyclical uplift.

4. Secondary impacts in the property market.

   Property prices are very likely to be affected in parts of a city where construction is focussed for a particular event. While this can lead to the gentrification of a district, attracting further investment and leading to the development of an area, it can also force existing, lower-income communities out. A strategic balance must be sought to optimise the local benefits.

5. Global positioning, events strategy going forwards, and project management capability.

   Hosting, or even bidding for, an event dramatically increases the capabilities of the city authorities to manage similar projects in the future and makes vital steps towards furthering an events strategy and achieving development goals. Improvements in collaborative governance and co-ordination are fundamental elements of this process. A city with experience of hosting events is naturally held in higher esteem if there are any doubts about a competing candidate city. In an increasingly competitive urban world, having such experience can make all the difference.

How cities and nations can capture local benefits from global events

Exploring the components of, and relationships between, the benefits associated with global events

There are many different aspects of how a locality can benefit from hosting a global event, so the host faces a multiplicity of dimensions when considering how best to capture such benefits. The concepts involved are, however, all mutually reinforcing and interrelated, as the following exploration emphasises. Case studies are highlighted where relevant to demonstrate examples of good practice. Following this, the key factors pertinent to all hosts seeking to capture local benefits from global events are explored in further detail.

The nature of the benefits of the event itself

1. Whilst many benefits and impacts can be felt in the physical and economic realms, there will also be substantial scope for environmental, social and cultural benefits if plans are developed well. The FIFA Soccer World Cup in Germany 2006 produced substantial environmental improvements through a Green Games Programme, the Athens Olympics 2004 brought an enormous cultural heritage legacy in the restoration of ancient sites and buildings and Manchester's Commonwealth Games 2002 have revitalised several poor neighbourhoods and expanded entry level employment for marginalised people.

2. Major events must have a national as well as local or regional impact. There must be good links between the key hubs and nodes that host and the wider diffusion of visitors and trade links. This is especially true in a small (population) country like New Zealand. If the Rugby World Cup 2011 is to be a catalyst for New Zealand it will need to command investment resources and ingenious efforts not usually mobilised. There will be a national cost and there needs to be a national benefit. This is a good discipline, because events are an excellent means to demonstrate that regions within the same nation are rarely in any real competition for external investment. More explicit inter-regional flows and benefits can occur through hosting an event. This was clear from the linkages between Lille's Capital of Culture Programme and Manchester's Commonwealth Games in 2004.

3. Major events offer exceptional opportunities to define the identity, values, unique assets, and long term contribution of a nation to the global realm (in economy, society, and environment). It is important to have a clear and compelling story about the nation and its future to

communicate. Because such events bring a 'global audience' to a nation or city for a period of time, there is a unique opportunity to brand and communicate. However, the presence (both real and virtual) of such an audience, and of the world's media, will also uncover and highlight weaknesses or contradictions in the identity of the hosting national/locality. Therefore, getting the message clear and distilling the values and identity is an essential task. It could be argued that both Athens and Rio de Janeiro suffered because some of their weaknesses were exposed by the hosting of a global event, whereas both Montreal and Brisbane clearly gained from doing so. You have to be ready for the global spotlight and use it well.

4. Major events do not all attract mass participation: media coverage, and other virtual methods, is a critical channel for accruing benefits. Shaping and influencing media coverage is key. An important part of any legacy programme is the communication, branding, and marketing activities which reach beyond the visiting audience and the event participants to the (many millions of) long-distance viewers of the event. Shaping and influencing these channels is critical for success. This was a major success of Sydney 2000 and of Turin 2006 for example.

5. The disciplines and opportunities associated with hosting a major event provide a unique and compelling reason to achieve other goals simultaneously. Hosting an event does not prevent other things from getting done, but rather proffers the possibility to leverage the staging of an event to take a bigger step forwards on other agendas. The best legacies result from good planning and design of legacy activities so that they work with the grain of the event, but are also rooted in the goals and aspirations of the place. The two things must come together. This is why Barcelona 1992 and Montreal in 1967 were so successful. The two cities wanted a new global identity and a new economic reach. The Olympics and the EXPO provided a key catalyst for both aspirations.

6. In Europe and in Asia the hosting of major sporting and other events is now seen as part of the process of long term development of the city or region that hosts it. Famous examples such as the Barcelona Olympics have led to recognition that hosting events is a means to secure wider benefits. The term 'Legacy', 'Impact', and 'Benefit Capture' are all used to describe this process.

The importance of the event in legacy formation

Why a legacy? Whilst the hosting of major international events can be seen as an end in itself, it also provides an unrivalled opportunity for a

nation or a city to achieve other goals. It is not a reason for putting them off. Events bring:

- Deadlines.
- A global audience.
- Additional investment.
- Increased visitors.
- Intensified local engagement.
- A chance to celebrate human skills and endeavour.

The costs of hosting a major event are also considerable and cannot often be justified in terms of the event alone; it is the success of the event plus the value of the legacy that justify the costs. It is well understood that investment is a driver of growth, but available investment capital is short in supply. An event with limited legacy is too costly to justify. A well planned event with a well planned legacy will attract higher levels of internal and external investment. Hosting events provides a short term boost from visitors and participants, that offers an opportunity to make improvements which would not otherwise be easily justifiable (*e.g.* Barbados 2007).

Put together, this provides the means to take a bigger step forwards in other areas of public life. This does not mean that the event is subservient to the legacy. A well run event is likely to produce a better legacy than a poorly run one, although a poorly run event can still produce a good legacy, if the legacy programme is well run.

The legacy potential provides an additional spur to make the event a major success, to provide sufficient investment for the event to be exceptional, and to ensure that the legacy programme is well defined and executed. The legacy is a key justification for the event itself, for the investment and the effort made. There is no tension between a great event and a great legacy, each will support the other, but both must be led and managed well and be organised to integrate and interface well. The Turin Winter Olympics 2006 is a great example of using an event to deliver very large scale infrastructure improvements that have a much wider purpose.

Hosting major events is an important means of accelerating existing plans and policies and delivering enhanced investment. Event legacies can well be framed in these terms and contexts. Major events are a tool or catalyst to implement existing priorities, not an alternative to doing so. Major events can contribute substantially to growth and innovation, environmental sustainability, and family wellbeing or other public policy priorities, but they must be deliberately designed and executed in ways

which do so. The example of London 2012, which plans to use the Olympic Games to regenerate a deprived area of east London, is useful here. These plans are supported by the experience of Atlanta and Barcelona which both used the Olympics to regenerate derelict or deprived areas.

It is for these reasons that awarding bodies of international events have laid ever increasing stress on the importance of a durable legacy from the events. It is bad business to encourage cities, regions, nations to host such events but to leave them impoverished by the process of doing so. That is why the ICC, FIFA, IOC, BIE, and many others now insist upon active legacy plans for all candidates and why the scope of the legacy and the sustainability of the event is seen as key to the attractiveness of any bid or candidature. The IRB will be well aware of these imperatives and will increasingly have to seek to emulate them, even though the scale of the Rugby World Cup is less than the major multi sport events. For a country like New Zealand a successful RWC is also potentially a stage towards a larger event with a bigger legacy.

Legacy planning has to be vision led and should span a series of events and opportunities, of benchmark moments and catalysts, rather than a single major event. Cities, regions, and nations that used international events to successfully promote themselves (*e.g.* Vancouver, Barcelona, Montreal, Brisbane, Turin and Seoul) have in fact delivered several events. Hosting international events should not be seen as a 'one off' but as a 'programme' of activity that increases investment and innovation.

The term 'legacy' may, however, be misleading because many benefits can be accrued before the event is staged, during its staging, or simply by bidding well, but not securing the right to host/stage. The focus here is in making engagement with such events work locally. As subsequent analysis will show, different groups of benefits fall at different times and also at different spatial scales.

A legacy programme should include both short term projects as well as longer term initiatives; it should focus upon both the direct and indirect impacts of the events, and also address wider institutional and co-ordination benefits. For example, short term projects might include improved sports infrastructure or better transport and hospitality facilities. But longer term benefits could include an expansion of trade with certain nations, the growth of specialist related tradable economic niches (in areas such as sport science, media, nutrition, stadia management, and many others). The longer term benefits can also include wider leadership roles on global issues (as Barcelona has achieved on urban issues, or Turin on international labour issues, or Vancouver on native communities, or Milan plans to achieve on global hunger and nutrition).

A legacy programme should be driven by robust leadership and implemented with dedicated resources and skills which are distinct from the efforts required to host the event, but co-ordinated effectively with them. Much evidence suggests that:

- The effort required to stage an event is all consuming and the resources allocated to it cannot be expected to deliver on all of the legacy activities and wider benefits as well.
- The skills needed to secure lasting benefits are different from those required to stage an event.
- The best legacy and leverage impacts come from defined and specific programmes that are well managed.
- The hosting of the event is a major project management task; the legacy programme involves a longer term development strategy and specific non-event projects.

The Barbados Cricket World Cup 2007 is a good example of a legacy programme which has been more successful than the event itself. Vancouver 2010 has been highlighted as an approach which put 'legacy first' and is leading the way.

A key focus of the legacy and leverage impact should be the local population, local business base, and other local stakeholders. Firstly, it is right that local benefits and local people must be engaged with what is happening. Commentators have given warnings about elite events and gentrification processes that do not touch local people, and do not command their confidence. Elite events miss the opportunity to engage locally and accrue local benefits, a process which will often not be costly and is a means of avoiding unhelpful tensions or opposition as the staging of the event draws near. The Lille City of Culture Programme and the Sydney Olympics both achieved high levels of local participation that enabled people to own and be proud of the event, rather than be disaffected bystanders.

Similarly, improvements to local and regional environments and infrastructure should be implemented in ways which support local quality of life as well as long term goals. It is important, for example, that infrastructure improvements do not just help tourists and international business people, or that new amenities are not restricted to prestigious universities or elite sport teams (important though these all are). A major feature of the German FIFA 2006 World Cup was the improvements it made to city centres for all users through enhanced public realms, signage, and amenities. Cardiff's development of the Millennium Stadium for the Rugby

World Cup 1999 was part of a much larger process of regeneration that improved local shopping and other amenities.

The role of the event in the host's own 'big picture'

A successful event is one that is a success as an event, in itself, (a good sports competition, an excellent trade show) and one that is successful in terms of what it does for the place which hosts it. A successful event leaves its host location better off than it was before. These are complementary but different tasks and one does not follow automatically from the other. Both need to be planned and managed if they are to occur. Too many events have left places worse off, with expensive facilities that have no use, and a big bill to pay into the future (*e.g.* the Sheffield World Student Games or Montreal Olympics).

Cities and regions that host events usually have a long term strategic development plan which they are seeking to implement. The event provides an opportunity to accelerate the implementation and delivery of the plans, increasing the momentum behind existing projects and providing deadlines and additional funding to make more progress faster. Cities and regions that do not have a robust long term development plan find it harder to plan for a legacy, and find that one of the legacies is often such a plan in itself. Legacy design and planning is about aligning the scope and dimensions of the event with the longer term development plans so as to identify key long term goals that the event can help to accelerate progress towards (as happened with the Turin 2006 Winter Olympics).

A summary of some of the cases presented is in Table 1.2.

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Table 1.2. Summary of events case studies

City	Infrastructure	Facilities	Urban Development	Environmental	Economic
Montreal EXPO 67	Motorways, Concorde Bridge, Expo Express	Environmental Science Museum; Casino	Ile de Notre Dame reclaimed for the event	Land reclamation	Trade an FD expansion.
Seville EXPO 92	4 new bridges, Alamillo bridge, high speed railway	Santa Justa Train Station	Site is emerging as a cultural centre with museums, retail and leisure areas		
Lisbon EXPO 98	Vasco de Gama Bridge; expansion of metro	New railway station; main pavilion is now a shopping centre complex	Transformation of decaying area of city. Expo staff buildings now rented out		Increased FDI and improved status as a business centre. Now one of Europe's most popular short break destinations
Beijing Petroleum Congress 1997					Promotion of China to petroleum industry
Copenhagen City of Culture 1996		New Centre for Architecture, National Library, Arken Museum of Modern Art, Vega concert hall and Nordic Sculpture Park	Improvements to public space, parks, lighting and signage. Restoration of baroque gardens at Friederiksburg castle.	16 new ecological centres	12.2% increase in overnight stays in 1996 compared with 1995

City	Infrastructure	Facilities	Urban Development	Environmental	Economic
Thessaloniki City of Culture 1997		13 theatres. New home for the National Festival of Cinema. 15 new municipal cultural centres. New museums.	Urban remodelling including pedestrianisation, town square renovations and waterfront extension		Increased visitor numbers during the cultural year
Porto City of Culture 2001		New iconic Casa de Musica - a new 24 000 m^2 space for music. Restoration of several museums and theatres.	Redevelopment of "Baixa Portuense" and regeneration of public space including the City Park, new roads and parking.		Average spend was EUR 110 per person per day for general visitors and EUR 237 per "Capital of Culture" visitor
Bruges City of Culture 2002	A new pedestrian bridge completing the path around the old town	A new concert hall, the Concertgebouw. A new modern pavilion on the central square	Restoration of many buildings including the city's music academy, theatre, town hall and council offices		556 000 visitors in 2002 compared with 510 000 the previous year.
Salamanca City of Culture 2002		The construction of large auditorium for concerts and sports and the Centro de Arte de Salamanca. Restoration of Teatro Liceo.			Overnight stays recorded rose from 677 000 in 2001 to 823 700 in 2002.
Montreal Olympics 1976	Metro system expanded		Ile de Notre Dame completely rebuilt in order to provide a new rowing basin and municipal park- now hosts an annual Grand Prix.		Huge losses, estimated around USD 2 billion. Debts were not paid off fully until December 2006.

City	Infrastructure	Facilities	Urban Development	Environmental	Economic
Barcelona Olympic Games 1992	Telecoms: By 1991, 30% of the telephone exchanges were digital, a 40 000 km fibre optic network completed. Road network: From 1989 to 1992 the numbers of roads increased by 15%. The 'mountain' ring road was designed to absorb between 130 000 and 140 000 more vehicles per day, while the coastal ring road would take between 80 000 and 90 000.	Olympic Village: 130 hectares site at Parc de Mar. Olympic Ring complex: rebuilding of the Stadium; Garden which were used for the Universal Exposition in 1929. Two new buildings: the Sant Jordi Sports Hall, and the National Institute of Physical Education of Catalonia.	Beautification and renovation of thoroughfares and town squares. Cultural rejuvenation projects. Conversion of the old industrial area of Poblenou into a high quality residential area. Regeneration of Barcelona's seafront came in 1987 with the redevelopment of the Bosch i Alsina wharf.	Between 1989 and 1992 the areas occupied by green zones and beaches increased by 78%. From 1989 to 1992 the numbers of fountains and ponds increased by 268%.	1987-92 estimated total economic impact of the 1992 Games was around USD 26 billion. October 1986 to July 1992, the general rate of unemployment fell from 18.4% to 9.6% in Barcelona, compared to a 1992 Spanish rate of unemployment of 15.5%. Olympic-based activity generated annual occupation rates of an additional 35 309 persons, on average. Additional permanent employment for an estimated 20 019 people. By 2000, number of foreign visitors to the city doubled from 1992, reaching a total of 3.5 million per year.

City	Infrastructure	Facilities	Urban Development	Environmental	Economic
Barcelona Olympic Games 1992 (*cont.*)	Railway network: extensive reorganisation of the railway network. Sewerage network: From 1989 to 1992 the length of sewerage system increased by 17%.				In 1990, Barcelona occupied 11th position, which rose to 6th position in 2001 in a ranking of European cities as centres of FDI. Total net accumulated impact (1986-93) came to 3 107 788 pesetas.
Lillehammer Olympics 1994					100% increase in tourist numbers between 1989 and 1995. Estimated USD 2 billion economic activity stimulated, much of it amongst local businesses. Has developed as a major organiser of international events.
Sydney Olympics 2000			Extensive land reclamation and decontamination for the construction of Sydney Olympic Park		PWC estimate that the increased exposure added AUD 6.1 billion to the Australian economy. Positive tourism impact.

City	Infrastructure	Facilities	Urban Development	Environmental	Economic
Manchester Commonwealth Games 2002	Redevelopment coach station & airport. Completion of the final link of inner ring road	Construction of Manchester Velodrome, National Squash Centre, City of Manchester Stadium (38 000 seats). Upgrade of Belle Vue and Moss Side Leisure Centres.	GBP 570 m regeneration of deprived area of East Manchester; 146 hectares of derelict land reclaimed; Construction of GBP 77 m Sport City, new homes and retail areas		Estimated GBP 2.7 m return on every GBP 1 m investment. 4 000 jobs created from developments 3-5 years after Games. GBP 35 m extra inward investment attributable to raised City profile. 4.5 million tourists per annum visit Sport City.
Turin Olympics 2006	Undergrounding of railway lines; high speed train links to European cities.		City centre renovation and expansion of cultural and entertainment facilities.		Change in tourism profile from business tourists to "city-breakers". Overall loss after Games week of USD 33 m, but this is expected to be compensated for by post Games benefits.
Japanese Cities FIFA World Cup 2002		8 of the 10 Japanese stadia were built from scratch for the event; total Investment of USD 2.9 billion in new facilities.			JPY 1.864 billion of tournament related consumption. JPY 5.B billion surplus from the event. Operating costs of stadia remain heavy financial burdens

City	Infrastructure	Facilities	Urban Development	Environmental	Economic
Auckland Americas Cup 2000-2003		Expensive apartments, restaurants, bars and a Hilton hotel constructed	Revitalisation of a rundown area of Auckland's Harbour: Basin dredged and moorings installed for cup teams and up to 100 super yachts		NZD 523 m net additional spending in New Zealand economy 2000-03. NZD 529 m additional (of which NZD 450 m added to the Auckland economy). 9 360 fte years of employment generated (8 180 of which in Auckland).
Halifax G7 Summit 1995				Building of partnerships between civic, environment and business sectors	170 full years employment created. USD 7.3m visitor spending. USD 600 000 tax revenues
Rio Lat Am - EU Summit 1999		USD 3 m refit of city museum	Copacabana and Ipanema beaches restored. USD 10 m spent on improving parks and areas around grand beachside hotels.		

City	Infrastructure	Facilities	Urban Development	Environmental	Economic
Johannesburg Earth Summit 2002		New bus and taxi terminal in the city centre	Entire depressed areas *e.g.* Newtown and Alexandra regenerated and developed.	Millions of trees planted and dams built	Foreign tourist arrivals for August 2002 increased by 13.4% over August 2001 figure. ZAR 8 501 million net direct economic benefits.
Edinburgh G8 Summit 2005				Carbon offsets benefited sustainable development initiatives in Africa	Tourism figures dropped by 8.4% compared with the same month in 2004. Many Scottish companies awarded contracts *e.g.* for IT services, broadcasting etc

Chapter 2.

A Framework for the Local Benefits of Global Events

Costs and benefits

Hosting a high profile global event can be an expensive business. However, it is an investment that can yield high social, economic and financial returns to the host cities. The extent of these benefits depends on many factors, some of which can be planned for and controlled. The type of benefits can vary greatly in their size and duration, as well as the type of return.

There may be direct financial returns on investments, for example from ticket sales and tourism during the event, as well as a retained value for post event uses. So there are immediate as well as longer term financial returns.

The economic impact of additional expenditure during major events (immediate financial returns) can be assessed using multiplier analysis and this gives an indication of the approximate net amount of income retained within a city after allowing for 'leakages' from the local economy (*i.e.* money that is spent outside of the city). Gratton et al. (2000) report that the most commonly used multiplier for events assessment is the 'proportional multiplier', which is expressed as:

$$\frac{\text{Direct + Indirect + Induced income}}{\text{Initial Visitor Expenditure}}$$

Once the initial visitor expenditure of any given event has been measured, it can be multiplied by the proportional multiplier to estimate the derived income. 'Direct income', refers to the initial effects of additional visitor spending, so increased wages, salaries and local business profits are all relevant here. 'Indirect income' is that enjoyed by those not in direct contact with the visitors, but who nevertheless provide support services for those that are (*e.g.* local suppliers to restaurants or bars). Finally, 'induced income' is the income that then results from the re-spending of either directly or indirectly earned income.

By way of reference, Gratton et al. (2000) used a proportional multiplier of 0.2 for the events they studied in Sheffield, Glasgow and Birmingham, which means that only 20% of the additional visitor expenditure is retained in the city as additional local income. However, they do note that "the larger the city, the less the leakages, and, in general, the higher the value of the multiplier". Of course, to say that some of the additional expenditure 'leaked' out of the city is not necessarily a problem if the local city-region benefited as well. A thorough understanding of these concepts allows city authorities to more realistically forecast budgets and estimate increases in income for cities, even while a bid is being prepared.

But, in addition to the longer term internal investment returns, and external socio-economic returns, there may also be less tangible but still important benefits to hosting a global event; for example, increasing local pride and raising the city's profile may bring about economic and social benefits in the long term. In between, there are those concrete yet ambivalent consequences. An expensive new sports stadium or science park is only advantageous if it continues to be used in a worthwhile way once the competitors have left. All of these are important, but given the high cost of the initial investment, cities must focus on the long term paybacks. Costs will often fall in the short term with benefits accruing in the medium to long term.

Key ingredients

i) Pick the right event

Different kinds of international events have very distinctive local impacts (as we shall see below) and are more or less winnable by different kinds of cities and nations. For example, an obvious issue is size and scale. It is hard for very small countries and cities to win very large events and often even more difficult to stage very large events successfully. However, more important is ensuring the event provides the right blend with local circumstances and aspirations. For example, if an important local aspiration is better international positioning then it will be important o chose an event which offers excellent media exposure for hosting location, whereas if the chief local aspiration is the regeneration of otherwise disused land and facilities, it is important to find an event that will deliver both a short term reason to make the regeneration happen, and also the longer term potential for after event usage and wider integration of the area into the local economic and property market.

For these reasons, it is essential to know what the local development benefits goals of bidding for, and hosting, an international event are, prior to

the selection of the event to bid for. It is essential to begin with the long term local goals in mind.

ii) Pick the right location

It will seem obvious that the right site, or sites, must be picked, but this is not always easy. Many host cities and nations look to international event to provide a spur to regenerate derelict or polluted land, and events are a means to kick start or complete a regeneration process. But regeneration is a process that requires the integration of redeveloped land into wider local and regional economies through a clear longer term role function and enhanced connectivity and accessibility. There are several examples of sites that have been regenerated through hosting an international event which have then remained disused or under-used because there was limited economic rationale for the site going forwards or weak connectivity.

As we shall also see later, there is an essential challenge to foster and retain local support for hosting events over the full life cycle from bidding to completion. The choice of sites to be enhanced by the event is a key dimension of maintaining local support and consent. There is often a tension between the redevelopment of a large site that will add new capacity to a local economy as against the improvement in existing districts where larger numbers of people live and work. There is also the 'nuisance factor' of major works being undertaken that can negatively impact on business.

Therefore it is essential to consider which site or combination of sites offers the best all round outcomes and will retain support despite the obvious upheaval involved.

iii) Test ideas fully

Many would be host cities and nations test ideas fully before they launch a bid, but some do not. The core proposition in this book is that international events can yield great vale for local development if they are run in certain ways and with certain principles in mind. The testing and evaluation of which events, which local development goals, which locations, and what costs and opportunity costs are crucial to offering leadership of the event bidding and hosting activity. Transparency of intention, and rigour of case made are essential elements of attracting local and national support, external sponsorship, and to eventually winning, or running a good bid which will yield benefits

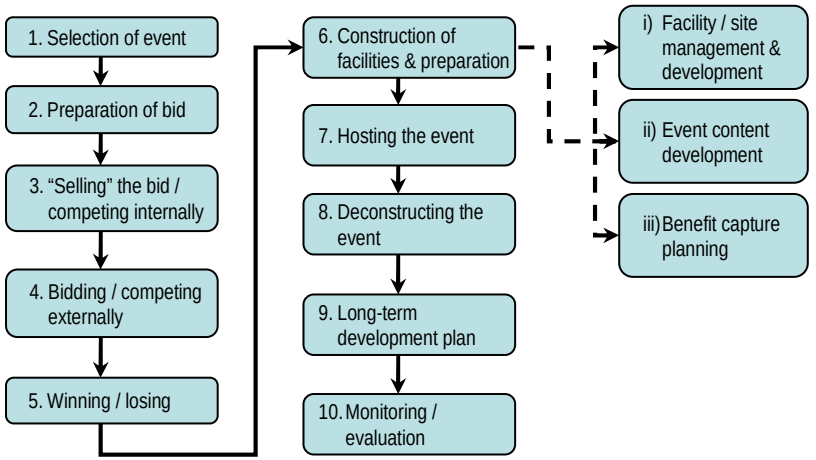
Awarding bodies now assess the local testing an evaluation of the bods very actively. It is the essential first step.

iv) Robust goals, aspirations, and plans

The most fundamental course of action that a city can take to ensure that there are real and long term benefits is to start with clear aims and ambitions for the local benefits they want to capture from the global event, and from these to construct a good plan of action as to how to bring about the desired results.

The aims can be ambitious and creative and indeed examples such as Manchester show how starting with hopes that are sky-high can result in being rewarded with extensive benefits. But if so, the plan must be as robust as the objectives are ambitious; there is no point in having grand ideas without grand designs. So on the other hand, the city must be realistic and keep its feet on the ground. If it wants extensive and long-lasting economic returns, it will have to do more than throw money at the project. Instead, it must think carefully about how such enormous benefits can be achieved. To do so requires having a good understanding of the complexity and length of the planning phases and strategically deploying the appropriate resources to maximise the benefit of each and every stage. Figure 2.1 is a simplified 10-stage schematic that sets out the key stages in managing a global event. Experiences of different events will vary slightly but this diagram provides an excellent grounding.

Figure 2.1. Ten key stages in managing a global event



As will become clear from the case studies, the answer to achieving lasting economic benefits is almost certainly going to involve massive and carefully staged regeneration of a disused area. However, this in itself does

not guarantee results. The area must be made economically viable, not just be developed. Seville redeveloped the previously empty Isla de la Cartuja for the 1992 Expo, but did not work hard enough to integrate it with the rest of the city. Lisbon learned from this and embarked upon its development of its waterfront in 1998 with the attitude that whatever is built for the Expo must become part of the city. Having such a clear aim at the outset together with a good plan of action, and obviously sizeable investment, ensured success. This was insight that the Barcelona Olympics had helped to distil.

The lack of any substantial aims other than to make money will result in the failure in achieving even that objective. Following the financial success of Expo '67, Montreal walked blindly into the Olympics with such enthusiasm that not much attention was paid to the expense. Although the city did benefit from both events, they are still paying back the debts and it is not obvious that the Olympics justified their great expense.

Sydney, on the other hand, hosted one of the most financially successful Olympic Games of recent years. The focus on industry development, investment attraction and national tourism was stronger than for any recent Olympic Games. The organisers carefully orchestrated the huge investment so as to ensure the greatest economic benefits. Johannesburg had clear aims of what it wanted to gain from hosting the World Summit on Sustainable Development, and thus was able to direct the funds towards these ends, most notably towards improvements to the city's infrastructure.

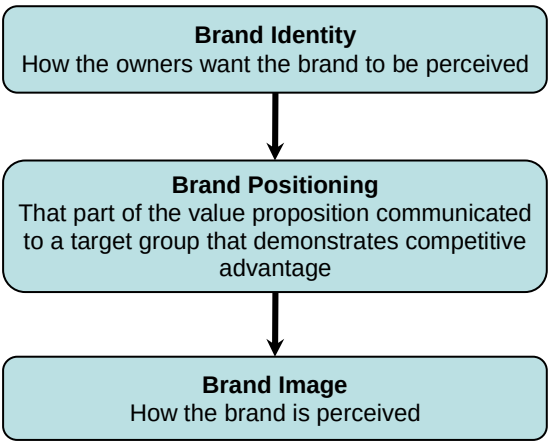
v) Brand and profile

Cities often want to host global events in order to increase their global profile. This is a comparable exercise to brand-marketing. Brands are important; people's preconceptions are hard to change, so it is important to build up and consistently promote the city brand so that people have a positive view of it. Cities often use global events as an opportunity to re-brand themselves, or alter people's impressions of the city, in order to attract businesses and tourists. Figure 2.2 demonstrates this process well. It also emphasises that the 'Brand Image' can only be created through a process of 'identity identification' and active positioning.

However, just like in advertising, such re-branding exercises can go seriously wrong. If they appear to be forced and false, they can backfire and have the opposite effect to that which is intended. When attempting to positively change the profile of a city, an important factor in ensuring that it does not backfire is to galvanise support from the people of the city. Rio de Janeiro learned this lesson when it tried to hide any indications of poverty from its streets from the eyes of the delegates to the 1992 Earth Summit. When it held the Latin America-Caribbean-European Union Summit in

1999, it was able to counter-act the earlier bad publicity by showing the delegates the programmes implemented to help the city's poorer citizens.

Figure 2.2. Process to brand image



Source: Kavaratzis, and Ashworth, 2006.

The public relations exercise is not as shallow as implied above. Businesses are not attracted just because a city's airport has been repainted. They become interested if the city's businesses are shown to be capable of staging an event efficiently. Australian businesses attracted huge investment after the Sydney 2000 Olympics went off without a hitch.

vi) Local support, the key first step

Obtaining local community support and approval for hosting a major event is fundamental. If the city's inhabitants cannot be convinced that it is a great opportunity, then firstly it is probably a good indication that it is not, and secondly it will make it hard to convince the rest of the world otherwise. A sure-fire way to garner such support is to ensure that local people will benefit from it, and that the intended local benefits are understood from the start and are a leading rationale for the event itself. By using the event as a reason to implement redevelopment and re-positioning, the organisers not only secure local support but make the city more attractive for long term investment. Changes in infrastructure and transport are fundamental to this.

Manchester provides a good example of how this can be successful. The organisers were adamant that there would be a lasting legacy after the Commonwealth Games had finished, and redeveloped a large part of the city's poor East area. In doing this, they secured the support of the local

people which helped to make the Games themselves a success, as many of them volunteered to staff the event, and many more attended the Games. Sydney tried to gather support through another medium. The city authorities were worried that the Olympics might have trouble finding support for such dramatic expenditures in the non-sporting community. In order to avoid this, they put money into the innovative Olympic Arts Festival which began a few years before the Games took place.

By using the event as a reason to implement redevelopments, the organisers not only secure local support but make the city more attractive for long term investment. Changes in infrastructure and transport are fundamental to this. Seville not only modernised its image, but introduced a high speed train link to Madrid, which makes it more accessible and attractive to investors and tourists.

London's Olympic 2012 programme includes plans to achieve major long term benefits for local communities. It is reassuring to see such objectives at the very heart of the project plans:

- International positioning and global links (winning against New York and Paris was especially important).
- Financing infrastructure and increased Government investment.
- Increased housing supply and progress on spatial strategy to balance London east-west.
- Improved connectivity: a fast train (cross rail), combined with completion of Channel Tunnel Rail Link, linking up of City of London with London Docklands.
- Financial innovation in the way the Games are being financed, leading to greater financial freedom for London Government.
- Higher Education expansion through improved facilities for international students.
- Renewal of sports facilities.
- Major event hosting/project management capability to be developed for the future.
- Expansion of life sciences through sports and drug related activities.
- Regenerate and raise aspirations in poor neighbourhoods.
- Growth in visitor economy and its infrastructure.

vii) Strong, inspirational leadership

Prioritising, organising, achieving and communicating this list of factors to capture maximum benefits from global events will not happen without the involvement of exceptional individuals and teams, and good planning. As succinctly stated by Will Hutton, Chief Executive of The Work Foundation (2007), "if cities are to change direction, they need strong leadership to work with key stakeholders and generate a sense of shared purpose".

Many forms of civic and social leadership are required in many different areas to successfully host a global event - from sales and marketing to project management, negotiation diplomacy to media relations, the execution of such an event demands the involvement of leading individuals.

What roles are of relevance to this more intangible component of a successful global event? Fostering strong backing requires authoritative, consistent, confident championing from leaders, be they political, business, or sports figures. Leaders must develop, and articulate, a clear vision for the city's development, explicitly outlining from the outset how a particular event will benefit the city, its region and the country as a whole in an appropriate balance. Individuals must bring together a wide range of stakeholders to create a suitable support network that shares ideas, pools resources and achieves more than the sum of its parts. Having a few key figures at the heart of this operation provides much needed sources of motivation and clarity.

This ensures that businesses can operate with confidence within a clearly defined and communicated working environment with well-articulated goals. It also inspires and encourages stakeholders to commit their participation by providing the city's organising committee with a distinct identity. Of equal importance, messages to be communicated to local communities through the media can be well controlled and focussed on the benefits directed at them if a few key figures are responsible. Capturing local support, as outlined above, is vital for the longer term success of the event and the public naturally responds better to a recognised name or face as opposed to a faceless committee.

There are clear links here between the need for strong, inspirational leadership and the path that a city takes towards developing and achieving a successful internationalisation strategy. One cannot exist without the other and in order for the maximum local benefits to be captured all leading individuals involved must be working towards the same, clearly stated goals. The importance of strong leadership does not, however, mean that a city must already have individuals known and liked in the public arena to ensure success - the involvement of the likes of Sebastian Coe in the London 2012

Olympic Bid might be misleading in this respect - for it is equally possible for previously 'unknown' individuals to admirably fulfil the above criteria and provide the city, and the event in question, with the leadership required.

viii) Capable implementation machinery/organisation

As with all aspects of local development, it is essential to develop the local capacity and capability to deliver an event of the kinds identified in this book. This is an unusual task and requires an unusual set of skills and organisational abilities. The complex mix needed rarely resides within Governmental bodies and a special purpose organisation is often required. Some of the organisational skills needed are:

- Complex large scale long term project management.
- Marketing, Branding, Advocacy, Public Affairs.
- Inter-governmental co-ordination.
- Public-Private Partnerships.
- Major site redevelopment.
- Infrastructure planning and financing.
- Complex project finance.

This brief list is not comprehensive but it does serve to explain why it is essential to build up local capacity to deliver such events and some of the costs involved. From our review of the following case studies, one key factor in how far local development benefits are realised is the quality and scope of local capacity to deliver the events effectively.

ix) Global events as a catalyst

The importance of using the hosting of an event as a catalyst for existing development or regeneration plans, as opposed to a side-show, cannot be overstated. It is worth highlighting, therefore, exactly how the process works as an accelerator for urban development projects. The event:

- Gives the city high international visibility, prestige and status while it is happening, thereby encouraging all involved to work together to achieve the best results.
- Involves strict deadlines (for the start of the competition or event) and so does not tolerate missed targets.

- Requires national, regional and local authorities to formally work together, both on management and investment levels, thereby making local goals the concern of regional and national departments.
- Unifies the city and even the country around a single purpose, fuelling projects with momentum and enthusiasm.
- Prompts nation building and international development through collaboration with other places, all of which increases the levels of expertise and energy going into projects.

In combination, these factors generate a unique imperative and accelerate the pace of change. With this renewed purpose, drive and focus, it is possible to fundamentally reform the rules of engagement for urban transformation and redevelopment.

x) Developing an events strategy as part of a wider internationalisation strategy

Despite having an idea of the potential benefits both to bidding for and hosting a global event, many city authorities around the world (especially those comprising more than one local government body) do not have a dedicated 'events strategy' as part of their efforts to secure benefits from an increasingly international world. Such a strategy is essential for mandating the bidding process, securing resources to do so, establishing a cost-sharing framework, providing risk management and ensuring that the city has a clear, agreed set of priorities and targets to be achieved through hosting a global event.

Literature even suggests that in some countries that do not have a long history of hosting global events but are actively seeking to develop this aspect of their growth, such as South Africa, it would be more beneficial for cities to operate within a national 'events strategy co-operation'. This would see different events being bid for by what was decided at the national scale to be the most appropriate city within the country. The city would then receive the financial and managerial support of central, national resources in the hope that this overall strategy would secure quicker progress in more cities being awarded more events (Swart, 2005).

Whether an events strategy is local to a city or embedded in a broader national approach, there is no doubt that a clear, well-publicised events policy is a strong signal of a commitment to hosting international events. Some cities have developed strong internationalisation strategies to actively seek out the benefits from such global events and those that have (including London, Toronto, and Barcelona) have developed expertise in something of

a niche market. The city internationalisation market is considered so 'niche' by some, that they have dedicated personnel and resources specifically to this area. Toronto International, for example, is the organisation set up in 2003 by the City of Toronto Tourism Division to proactively facilitate bidding on major events. Toronto International sees an internationalisation strategy as a "Benefit Management Vehicle"; the incentives are clear.

In sum, the city must be clear what it expects to achieve from hosting a global event. It would be well-advised to use it as a catalyst for funding redevelopments and infrastructure improvements that will yield long term benefits and ensure the support of the local community. This will attract greater investment than putting all the funds into short-term face lifts that will look good on television. However important these short-term alterations are in initially attracting the world's attention, they do not yield as many social and economic long term benefits as well-planned investment into redevelopment does.

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Chapter 3.

Learning from Experience:

Case Studies on Hosting Events

This report now looks at the following categories of global events in turn, exploring a number of case studies in each instance, to further develop the analysis of how cities can be successful hosts. The focus at this stage is on *mobile* events - ones that are hosted by different cities each time and can therefore be actively bid for on a regular basis:

1. Trade fairs and exhibition events, e.g. The EXPO and others.
2. Cultural events, *e.g.* The Capital of Culture and others.
3. Sports events, *e.g.* The Olympics and others.
4. Political summits and conference events, *e.g.* G8, Earth Summits and others.

Trade fairs and exhibition events

Trade was one of the earliest motives that caused people from all four corners of the globe to come into contact with each other. For right or for wrong, people throughout history have been driven by the need to exchange goods and by the 18th century, extensive trade routes between Europe and the Americas, Africa and Asia encompassed the globe. Urban centres flourished if they formed a hub of a trade network. In retrospect, it was perhaps inevitable that such a powerful transformation as that resulting from global trading would give rise to significant 'celebratory' events. In 1851, the first World's Fair exhibition of culture and industry (Expo), officially called 'The Great Exhibition of the Works of Industry of All Nations' but more commonly known just as 'The Great Exhibition', was held in London's Hyde Park. Nowadays, exhibitions and trade events are a common occurrence and while some maintain the breadth and scale of London's Great Exhibition, others are much more specialised, focussing on a

particular industry and its stakeholders. With such a history, what better category of global events to begin with than trade fairs and exhibition events?

By far the biggest and most famous event in this category is the Expo, sanctioned by the official governing body, the *Bureau International des Expositions (BIE)*. This is the largest public exhibition of trade-related displays and follows, historically, from the original World Fair in London in 1851. Since 1851, the character and purpose of the Expo has evolved, arguably in three distinct phases (Table 3.1).

Table 3.1. Expo evolution

Era	Time Period	Characteristics
Industrialisation	1851 - WWII	• Focus on trade and technological inventions. • Platform for state of the art science and technology from around the world to be brought together.
Cultural exchange	WWII - 1991	• Themes of cultural significance become more dominant. • Issues such as 'mankind' and 'the future' are addressed. • Cross-cultural dialogue and the exchange of solutions more defining.
Nation branding	1992 - present	• From the Seville Expo (1992) onwards, countries used the event as a platform to improve their national images, both as hosts and as guest in their pavilions. • 'Nation branding' becomes a primary participatory goal; the event serves as an advertising campaign.

So while critics might point out that in an era characterised by global communications and mass media coverage, there is no longer any need to visit trade exhibitions to experience the latest or most exciting technology or forge trade deals. However, it is fair to point out that the nature of such events has evolved along with the world trade environment around it, meaning that they still hold relevance and significant benefits to all concerned - often with all three of the 'phases' in Table 3.1 contributing together to the tone of the event. With such powerful trading nations as Japan having hosted the World Expo in 2005 and China set to host the event in 2010, there is arguably little doubt that the general consensus is still that world trade fairs and exhibition events remain important and popular.

Yet BIE-certified Expos are not the only type of trade exhibition event. Indeed, not only can countries or cities host their own trade exhibitions without official BIE sanctioning, but individual industries can also set up organisations that periodically convene meetings. While such events do involve large delegations from countries all over the world, these

conferences differ starkly from political summits in the sense that they explicitly provide a forum for the latest technological and innovative developments in the trade to be exhibited and shared, in the hope of generating more business. Thus, events such as the World Petroleum Congress, the International Exhibition of the Hospitality Industry and the UN's Technology Fair of the Future all provide settings where trade in a specific industry is brought together and fostered.

With these kinds of events in mind, what sorts of benefits, challenges and risks are there for cities hosting global trade events? Well, first and foremost, event reports repeatedly confirm that the events mentioned above continue to attract large number of visitors, be they members of the public or official delegates from companies and governments. When it is mostly members of the public visiting a trade event, such as the Expo, the general tourist profile of the city and the country has the potential to be lifted through a vibrant display of the host's input to the event. When the event is themed around a specific industry, there are potentially enormous gains to be made in the economic profile of the country, establishing its stance on trade within the industry and giving it the opportunity to push its image in the hope of securing more business. Of course, in both instances, the visitor economy is supported by encouraging new influxes of visitors.

The scale of the event will determine to a large degree, the cost and extent of investment in infrastructure required, be that in conference centres or exhibition arenas, transport links or accommodation, and this can be an central source of longer-term legacy building that can later draw similar events back to the same city. But as Table 3.1 describes the evolution of the Expo, what is now the most important longer-term benefit of hosting a global trade event is the city or nation branding that it facilitates under the eyes of the people that matter most. Of course, at the same time, a poor or misjudged performance can have equally as powerful negative implications. Nevertheless, in the current era of intense worldwide competition for business, a strong national brand can be vital for making a country stand out. In economic terms, the benefits of standing out are perhaps incalculable.

Case studies

The following selection of case studies uses the two main categories of trade event identified here as a start point. The first section explores Expos held in Montreal, Seville and Lisbon before the second section uses the World Petroleum Congress meeting in Beijing to discuss trade events focussed on a particular industry.

Montreal - Expo '67

Montreal is Canada's second biggest city, famous for its multicultural population. It attracted international attention when it hosted both a Universal Exposition and the Summer Olympic Games within the same decade. The Expo, known as Expo 67, is seen as the last truly great event of its kind, and was visited by more than 50 million people. Compared with the 18 million who went to Hanover in 2000, and more starkly with the fact that population of Canada at the time was only 20 million, it is clear that it was a world event of staggering proportions. The event raised Montreal's profile as a modern and prestigious city, and it benefited hugely from both this and the changes to its infrastructure that were made for the event.

Montreal was not the originally intended host city of the 1967 International and Universal Exposition. But when the chosen city of Moscow withdrew, Montreal stepped in, and held the fair to coincide with the Canadian Centennial (celebrating the 100th anniversary of the Canadian Confederation). Substantial changes were made to the city's geography and infrastructure. The fair was to be held on Saint Helen's Island, and the man-made "*Île Notre-Dame*" complex - land reclaimed specifically for the event. New motorways were built, and the innovative Concorde Bridge was built to connect the new island complex to the rest of Montreal, both by road and by means of the new Montreal Expo Express.

Computer analysis had predicted that the complex could not be built in time for the opening in 1967. There was a spate of frenzied building of pavilion buildings, including the fabulous United States pavilion (Figure 3.1), which was a huge geodesic dome ('the Biosphère'), designed by Buckminster Fuller, which changed the landscape of the island. The final cost of all construction came to over CAD 439 million by 1967.

These were dramatic changes that permanently altered the local geography. The people of Montreal took the project to their hearts and it increased national pride. As of 2007, the Montreal Expo remains the third best attended of all world Expos, after Osaka (1970) and Paris (1900). After the Expo officially ended, the then mayor Jean Drapeau declared that the area would be the location for an exhibition, 'Man and his World', after the theme of the Expo.

After a few years, attendance figures began to decline for the exhibition and fewer and fewer areas were open to the public. Many of the buildings built in the 1960s on the island complex are still in use, however. The Biosphère now houses an environmental sciences museum, Habitat 67 continues to function as a residential complex and the Montreal Casino occupies the former France and Quebec pavilions. But when the city was

awarded the honour of being the host city of the 1976 Summer Olympics, it was given another opportunity to develop this area in search of a more complete, lasting legacy (see section on sporting events).

Figure 3.1. "The Biosphère" - United States Expo '67 pavilion, Montreal



Source: Wikimedia Commons, © 2001 Cédric Thévenet.

Seville - Expo '92

Seville is the capital of the large southern autonomous region of Andalusia. It is one of Spain's great cultural and artistic cities, with many beautiful buildings in its historic centre. In 1992, it was able to display its more modern face when it was chosen to host the 1992 Expo, commonly known as Expo 92. Expos have traditionally been the place to show off culture and technology, particularly large-scale media technology (Naimark, 1992). The 1992 fair commemorated the 500th anniversary of Christopher Columbus' first voyage to the Americas. Thus the theme was "The Era of Discovery" and like Columbus' voyages, Expo 92 proved to be quite profitable.

Universal expositions require total design of pavilion buildings from the ground up, and consequently require a large space and a lot of investment. The organisers used these requirements as an opportunity to develop the land surrounding the ruined Cartuja monastery. Considerable improvements needed to be made to the city infrastructure in order to support the event. Firstly, the area chosen for the site is an island in the Guadalquivir River, which necessitated the construction of four new bridges to allow access to the site. The most striking and largest of these is the Alamillo Bridge

(Figure 3.2) designed by Santiago Calatrava. It is a road bridge at the north end of La Cartuja Island on which the Expo was held. It has a 142 m high pylon that makes it one of the highest bridges in the world, and has become a landmark visible from Seville's old town. As well as constructing new bridges, the Santa Justa train station was built, completed in 1991. It is the beginning of the fast-track AVE (*Alta Velocidad Española*) railway line, which links the city with Madrid (330 miles away by road) in just three hours.

Figure 3.2. Alamillo Bridge, Seville



Source: Wikimedia Commons, © 2006 Andrew Dunn.

The Expo itself was judged to be a great success, and was one of only four in the century to be judged by the Bureau International des Expositions (BIE) to be an A-category expo. Over 40 million people visited the exposition while it was open, from April until October. Furthermore, the BIE reported a net profit for the event of around 16 million PTS (see Bureau International des Expositions website). This short term success impacted greatly on the city's pride and thus influenced the way local people felt about their local area and their view of the authorities.

Clearly, the bridges and high speed train line are tangible, lasting benefits from the Expo, which can justify the costs of building them. But what became of the pavilion buildings themselves? A common concern when a city invests in a one-off event like the Expo is that there are high fixed costs associated with the building of venues that will not prove profitable simply because they are not used again. However, several of the

pavilions constructed for the participating countries' exhibition remain in use. The World Trade Centre Building, the Andalucian Regional Government and the Technical University are all housed in buildings constructed for the Expo. The site is emerging as a cultural centre with museums and educational exhibits (including a Historical Centre and Contemporary Arts Museum), as well as the Isla Magica amusement park. The site has been redeveloped with theatres, cinemas and other attractions and will soon have the full complement of cafes, bars and restaurants.

To see why Expo 92 was successful, we have to look at the both the short and long term factors. More recent Expositions, such as that in Hanover in 2000, failed to attract as many visitors (18 million, less than half the predicted 40 million that Seville managed). There is a suggestion that with increasingly good communications networks, there is no need for people to physically gather to be introduced to new concepts. Thus it might be that part of Seville's success was her good fortune at holding the Expo at a time when people were still interested in World Fairs, notably before internet access became commonplace. But over and above this, the redevelopment that took place was of an area of the city that simply was not used commercially beforehand. Focussing investment on making the area accessible and commercially desirable has effectively added to the city's size. The high speed train link with the capital has opened up Seville to tourists and business from its own country. It has restructured not only the city's physical but also its economic environment.

Lisbon - Expo '98

The last Expo of the millennium was held in Lisbon, the capital of Portugal. Despite being an historic city that was once the centre of one of the biggest empires of all time, its image had become rather downgraded in the past century. The city authorities cleverly used the Expo, which was actually held to commemorate the 500th anniversary of the native explorer Vasco da Gama's first sea voyage to India, to revive the city's reputation and show off its many charms.

Lisbon clearly took lessons from Seville's experience. The 1992 Expo was in itself a more high profile and important event compared to the smaller scale 1998 exhibition, with around 11 million visitors compared to Seville's 40 million. But Seville was not wholly successful in finding suitable uses for the pavilion buildings after the exhibitors had left. Lisbon from the outset took the attitude that what was built for the Fair must become a part of the city.

The theme of the fair was "The Oceans: A Heritage for the Future". This was reflected in the renovation that took place. The decaying industrial

district on the south bank of the Tagus River was transformed into a beautiful waterfront. Lisbon managed to secure extensive financial backing from both the central government and the European Union, which the authorities used to haul the city into shape.

The concrete results of this investment are numerous. Perhaps most magnificently, one of the largest bridges in the world was constructed. The Vasco de Gama Bridge crosses the estuary of the Tagus, roughly half-way down the Portuguese west coast, and so effectively links the top and bottom of the country. The bridge adds to the city's aesthetic qualities as well as to its accessibility. A further benefit to the city's transport system was the major expansion of the crumbling metro system which took place before 1998, and the construction of a new railway station. The site of the Expo itself, *Parque das Naçõe*s, underwent massive redevelopment as the pavilions were built, a redevelopment costing around 155 million Portuguese escudos (see Bureau International des Expositions website).

The most striking of these was the "Oceanarium" aquarium. New commercial and residential buildings were also built. An event like this provides a fantastic opportunity to showcase native talent, and many buildings were designed by young Portuguese architects. The local architecture companies thus benefit from extra business which results from this increased profile.

As intended in the planning, the site has not descended into disuse. The riverside is the new up market area of the city. The main pavilion is now the vast Vasco da Gama shopping centre and cinema, complete with shops, restaurants and bars. The Oceanarium aquarium is one of the many pavilions which remain in use. The riverside has a buzzing night life and is a popular place for anything from a picturesque walk, a visit to the Camões Theatre, Lisbon Casino, Lisbon International Exhibition Centre or a meal at any of the high class restaurants. The residential buildings that were used by Expo staff in 1998 are now rented to the public.

The positive impact on the city was huge. A whole area was transformed from a decaying industrial site to an incredibly attractive area full of things to do. This allowed both the Portuguese and the rest of the world to rediscover Lisbon's charms. The development helped transform the city from a flailing, backward one into a popular and flourishing destination, whilst still maintaining a commitment to the country's heritage. It is now one of Europe's most popular short break destinations.

The Expo also put Lisbon back on the business map. This was partly due to concrete factors such as the improvements made to the city's infrastructure. But over and above this, they showed that they were capable

of carefully planning and successfully executing an event with as much potential to go awry as an Expo.

High levels of funds were invested, but in such a way that a return was guaranteed. The authorities carefully used the event as a catalyst to implement innovative renovations and use the worldwide exposure to advertise its traditional charms like its people's friendliness and the splendour of its natural setting. It worked to great effect.

The following case study now considers the smaller, though arguably not any less significant, trade event represented by the World Petroleum Congress.

Beijing - 15th World Petroleum Congress 1997

The World Petroleum Council (WPC) is a non-governmental and non profit-making organisation, founded in London in 1933. Its full name reveals its central aim: "World Petroleum Council - A forum for Petroleum Science, Technology, Economics and Management". It boasts just under 50 members and its main activity is organised around its triennial *congress* meeting. Member countries must bid to host this congressional meeting and, historically, the competition has always been healthy.

For the 15th World Petroleum Congress in 1997, China successfully defeated bids from Canada and Venezuela to host this event, which can justifiably be termed one of the most important events in the industry calendar. Some have even referred to it as the 'Olympics of the energy world'. China is in an interesting position in that it is one of the world's fastest growing economies, with a population of more than 1.3 billion [July 2007 estimate (CIA World Factbook)]. Yet despite having proven reserves of oil of over 16 billion barrels [2006 estimate (CIA World Factbook)] both in 1995, two years before the congress, and in 2005 (CIA World Factbook), China was a net *importer* of oil. In the context of the petroleum industry therefore, China is both a relative new-comer in terms of the length of time it has been exploiting its own reserves but at the same time one of the fastest growing consumers of oil in the world. Arguably, China has a lot to gain by making its mark on the petroleum industry.

The Chinese capital, Beijing, was chosen as the host city for the WPC and in the year that the British handed back Hong Kong to Chinese sovereignty, the Chinese used the event to tell the world that it was "open for business". The theme chosen was 'Technology and globalisation - leading the petroleum industry into the 21st century', a clear attempt by the Chinese authorities to place themselves firmly at the forefront of technological innovation and leadership in the eyes of the petroleum

industry. Furthermore, Wang Tao, chairman of the Chinese Organising Committee of the 15th WPC, said at the opening ceremony that the congress was a chance to develop better mutual understanding between China and the world. There is no doubt, then, that this event was used as an opportunity for nation branding and diplomatic moves with both economic and political motivation.

The programme of events put on for event was organised into the following sections:

- **Technical Exchanges.** Including 6 plenary sessions, 21 forums dealing with industry techniques, the presentation of 10 academic papers, a ministerial panel featuring Ministers of Energy or Petroleum from 10 countries and the presentation of 240 posters, 89 of which were from China.

- **Congressional Activities.** Including opening reception by Chinese state leaders, performances by Chinese artists, a 'China Night' celebration, a concert in the Working People's Cultural Palace and various technical visits and sightseeing tours to the Forbidden City and the Great Wall to showcase China's long history and cultural roots.

- **Congressional Exhibitions.** While the congress was in session, exhibition booths of WPC National Committee stands were set up at the China World Exhibition Hall of the China World Trade Centre featuring 500 - 600 participating companies in a 4 500m2 exhibition area.

Thus it can easily be seen that China used the industry's focus on Beijing in 1997 to further all three of the characteristic traits that Expos have evolved through historically: a focus on technological exchange, cultural celebration and national branding. In all, the Chinese Organising Committee reported having attracted about 4 000 delegates from more than 80 countries and regions around the world (Xinhua News Agency, 1997), including 68 CEOs of transnational companies, government ministers from 26 countries as well as representatives from the World Energy Council - indicative of a truly global reach and therefore a highly appropriate event to be focussing such efforts on the promotion of these aims.

But how much did such ambitious actions cost the Beijing and Chinese authorities? Such is the commercial interest in industry events like the World Petroleum Congress, that China secured enough sponsorship (USD 2.29 million) to cover its entire budget and even leave a small surplus. Contributions came both from domestic companies, all vying to be China's lead sponsor under the gaze of international industry representatives, and

also ten foreign oil companies, including household names like Exxon, Texaco, Chevron and Shell. An important lesson here seems to be that hosting an event so prominent in the business calendar for a given industry is likely to garner plenty of financial support.

From the evidence available, the hosting of the WPC stimulated much less investment in new urban infrastructure or urban development policies than compared to other global trade events like the Expo. However, in the context of the stated aims of the organising committee, whose focus was much more the promotion of China to the petroleum industry, the event must be seen as a success. Proof, perhaps, of this came four years later when the very first Asia Region Meeting of the World Petroleum Congress was sited in Shanghai. In 2004, the First Youth Forum of the WPC was scheduled to take place in Beijing, attracting over 500 young delegates from 19 countries around the world. Both occurrences show that China is being taken seriously as a venue for discussions and exhibitions concerning the future of the petroleum industry. Seeing as this was the main ambition of the Chinese authorities when they bid for the honour of hosting the event, this must surely be seen as an overarching success and given the trajectory of China's forecasted oil demand in the future, this is likely to prove to be a key strategic move in terms of national economic development.

Cultural events

Cultural events are hugely popular with cities across the globe and this is something that can only be strengthened by the heightened international awareness of people worldwide as globalisation continues. Cultural events take many forms in that they vary by subject (broad or focussed on film, art, music, literature or a particular socio-geographic culture), duration (from a single day, to a week, to a whole year) and as a result they also vary by international exposure. Many smaller cities only have experience in hosting locally-based, locally-focussed cultural events, designed to serve the city residents and draw in visitors from the surrounding region. This section, however, focuses on two events, the European Capital of Culture award and the Eurovision Song Contest, that can justifiably be described as global cultural events. That is, participation may be limited to countries in and around Europe, but these are events that have a truly global reach in terms of media, tourist and business interest. An understanding of both events will answer such important questions as:

- What can be gained by a city from hosting a global cultural event?
- Are the benefits 'soft' and short-lived?

- What differentiates the impacts of cultural events from trade, sporting or political ones?

European Capital of Culture Award[1]

Aims

- Although open to some degree of interpretation on a city-to-city basis, the key objective of this EU scheme is to highlight the richness and diversity of European cultures and the features they share, as well as to promote greater mutual acquaintance between European citizens (European Capital of Culture, 2004).
- Designed to "contribute to bringing the peoples of Europe together", the European City of Culture project was launched, at the initiative of Melina Mercouri, on 13 June 1985. It has become ever more popular with the citizens of Europe and has seen its cultural and socio-economic influence grow through the many visitors it has attracted (European Commission, 2007).

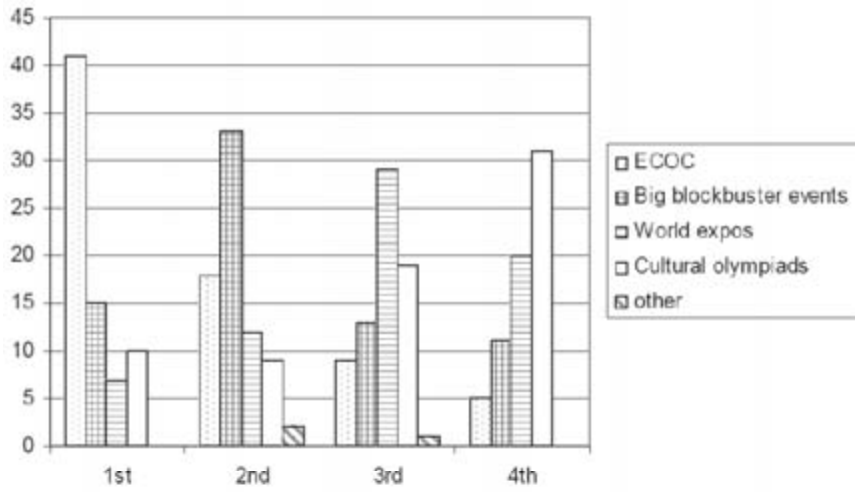
Broad appeal

Naturally, each city considers there to be a slightly different set of benefits associated with being awarded the Capital of Culture, but the Palmer (2004) report - based on a study of Capital of Culture cities from 1995 to 2004 - highlights the broad features of its appeal:

- Raising the international profile of the city/region.
- Establishing a coherent programme of cultural activities and arts events.
- Attracting visitors.
- Enhancing community pride and self-confidence.
- Expanding the local audience for culture.
- Improving cultural infrastructure.
- Developing relationships with other European cities and regions.
- Promoting creativity and innovation.
- Actively developing local artistic talent.
- Integrating culture into an urban regeneration plan.

Figure 3.3 emphasises how highly regarded the Capital of Culture is in comparison with other global-scale cultural events. This is not to say, of course, that hosting a Capital of Culture *guarantees* unrivalled benefits.

Figure 3.3. Which events benefit cities the most, in order of priority



Source: Palmer/Rae Associates, 2004.

In terms of deciding who hosts the Capital of Culture, the award is currently being run under a pre-agreed rotation system, such that, each year, one city of a Member State is designated as European Capital of Culture in turn, following an agreed rotation list (Table 3.2). Under this system, national authorities nominate one (or more) cities in advance, for a selection panel to judge against the stated objectives of the Capital of Culture. The Council may then select the chosen City to receive the award based on the selection panel's recommendation.

The system has also been extended to allow a European non-member country to participate each year. This is why, in some years to come, there will be three Capitals of Culture at once - a pair of EU member states (in order to cycle through the 27 members more quickly) plus one other European non-member state.

The European Union makes a financial contribution to the European Capitals of Culture through its framework programme for culture. This programme was called "Culture 2000" over the period 2000-06. From 2007, and until 2013, it will be referred to as the "Culture Programme".

Under the Culture 2000 Programme (2000-06), EUR 500 000 were earmarked for each Capital of Culture, and the subsidy was split into two parts (EUR 125 000 for the preparation of the event and EUR 375 000 for its

implementation). As of 2007, under the new programme "Culture", EUR 1.5 million is earmarked for each Capital of Culture (European Commission, 2007).

Table 3.2. Capital of culture time line and funding structure

Timeline[1]	Stage in the procedure	Body responsible
n-6 (for example, end of 2006 for the 2013 title)	Call for applications	Member State (MS)
n-6+10 months	Deadline for responding to the call for applications	Candidate Cities
n-5 (for example, end of 2007 for the 2013 title)	Meeting of the panel for a pre-selection in the MS concerned => list of pre-selected cities (13 experts)	Member State (MS)
n-5 + 9 months	Meeting of the panel for the final selection in the MS concerned (13 experts)	Member State (MS)
n-4 (for example, end of 2008 for the 2013 title)	Notification of the application from a city to the European Institutions	Member State (MS)
n-4 + 3 months	Opinion of the European Parliament on this application	European Parliament

Note: 1. in years, *n* being the year of the event starting 1 January.

Source: European Commission, 2007

The terms of this subsidy mean that the EU funding must not exceed 60% of the total budget of the proposed project. This means that at least a further EUR 1 million must be funded from sources other than the Capital of Culture (some cities may be eligible for funding from the Community Structural Funds).

Further, European Years such as 2008, the "European Year of Intercultural Dialogue" (an emphasis, coinciding with significant recent enlargements of the Union, on cross-cultural communication), can create opportunities for Community financing in connection with the European Capital of Culture event.

Broad impacts of hosting a Capital of Culture

This report uses the following criteria in its analysis of the different experiences of different cities (adapted from Palmer/Rae Associates, 2004):

- Cultural impact
- Income / Cost structure

- Infrastructure
- Visitor economy
- Legacy / long-term impact

All analysis draws heavily from the most comprehensive report yet compiled, the Palmer (2004) report, which looked specifically at the experience of cities that hosted Capital of Culture years from 1995-2004.

Broad impacts are first discussed, before specific exemplification is made through the use of case studies. Analysis is weighted this way because of the difficulties, outlined below, with relying on direct comparison between different cities.

Impact of the cultural programme

In comparison to other large-scale cultural events, Capital of Culture programmes are unique due to their scale (the average number of projects within programmes for the Capital of Culture cities 1995 - 2004 was around 500), duration (11-13 months generally), scope and the range of stakeholders and partners involved. Most cities find that hosting the Capital of Culture is therefore an unprecedented experience.

This said, there is no agreed formula for the cultural programme to be successful - the unique historical, economic, social and political context of each city can play a dominant role in determining the characteristics of each Capital of Culture. As a result, direct comparison between cities should be approached with caution.

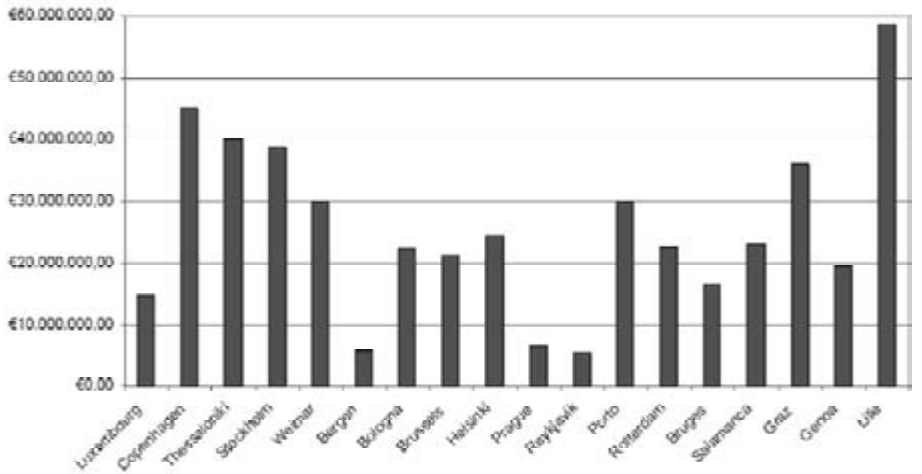
While the exceptional nature of the Capital of Culture event gives it the potential to have unrivalled impact on the cultural, and more general, development of the city-region in question, the Palmer report found that the "Capital of Culture programme was not often considered as a unifying force within the process of city development". Much is made of the poor communication of experience-based knowledge between successive Capital of Culture cities.

Income / cost structure

Expenditure on the Capital of Culture programme varies significantly between cities, both in absolute terms and in the relative proportion of expenditure allocated solely to the cultural programme (demonstrated in the following graphs). Detailed aggregate analysis therefore risks irrelevance to individual city authorities. What follows is a broad outline that serves to contextualise subsequent case studies.

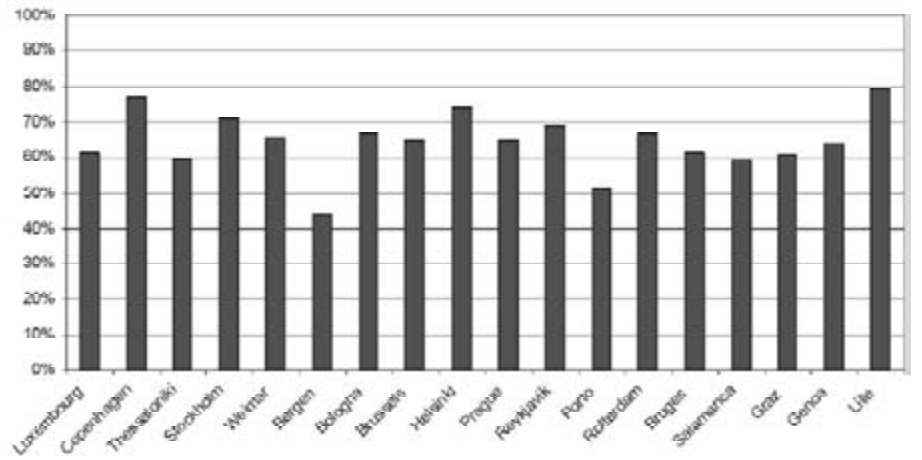
In combination with the Figures 3.4 & 3.5 indicating programme expenditure, Figures 3.6 & 3.7 show the average breakdown of where that money came from.

Figure 3.4. Programme expenditure per city



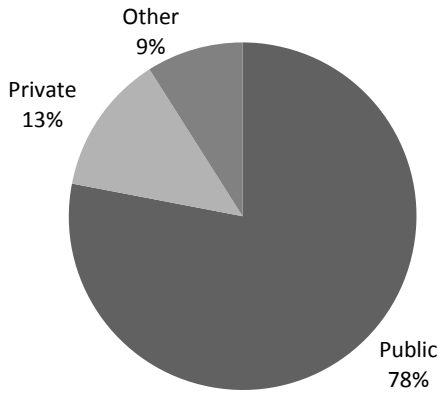
Source: Palmer/Rae Associates, 2004.

Figure 3.5. Programme expenditure per city in relation to their total expenditure



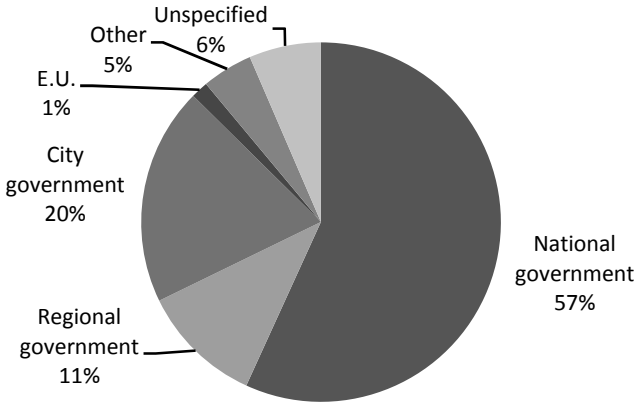
Source: Palmer/Rae Associates, 2004.

Figure 3.6. Income sources across all cities



Source: Palmer/Rae Associates, 2004.

Figure 3.7. Average breakdown of public sector income



Note: That the overall contribution of EU funding is proportionally small, leaving the public sector financial burden to national and sub-national actors.

Source: Palmer/Rae Associates, 2004.

Sponsorship from the private sector is repeatedly stressed as vital to the success of a Capital of Culture. Some cities seemed to either underestimate the time needed to raise funds or have a poor understanding of the sponsorship industry, which is complex and sophisticated. A dedicated strategic approach to sponsorship that starts early is recommended.

Infrastructure

All Capital of Culture cities between 1995 and 2004 invested in infrastructure projects for their host year. The most common projects were improvements to public space/lighting and cultural infrastructure such as refurbishments of facilities and monuments. New cultural buildings such as concert halls and museums were also common features of cultural expenditure. About a quarter of Capitals of Culture invested in major programmers of urban development, such as developing cultural districts and parks. Note that these investments differ quite starkly from those associated with hosting a major sporting event.

The scale of investment in infrastructure was not related to a city's location, the size of its population, or the year of its nomination. The most important factors seem to have been a city's perceived needs and its ability to raise the required funds. Many Capital of Culture improvements to infrastructure are the most visible and valuable legacy.

Common problems experienced were to do with restricted timing between being awarded the Capital of Culture and the start of the host's year, which sometimes led to uncompleted projects or inflated costs. In cases where completion of projects only came towards the end, or even after, the Capital of Culture year, the cities did still find positive cultural benefits to be had, however.

Some cities found that extensive building work in the run up to the Capital of Culture year not only presented risks for business and tourist industries but also irritated local communities, undermining the impact of the infrastructure investment in the short-term.

Often, difficulties to do with sustaining new cultural investments were reported after the Capital of Culture year had passed and funding and visitor numbers had waned. Planning across appropriate time-frames could arguably have mitigated against this impact.

Despite these hazards, cities that did not invest in infrastructure expressed regret at a "missed opportunity" both for the city and the lasting legacy of the Capital of Culture. The Palmer report recommends city authorities prioritise:

- A clear assessment of needs and feasibility.
- Planning over realistic time scales.
- Finding adequate resources.
- Achieving sustainability.

Visitor economy

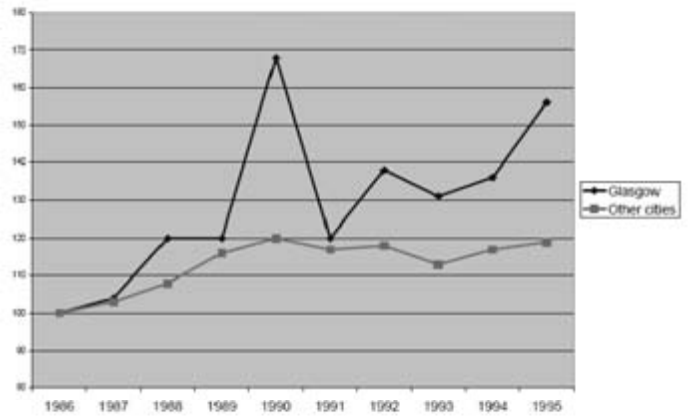
The Capital of Culture seems to have a measurable impact on visitor numbers and expenditure in host cities. The average increase in overnight stays per city when compared to the previous year was about 11% before 1995, rising to over 12% in the period 1995 - 2003, though there was of course considerable inter-city variation so firm conclusions are not possible. Smaller cities that start with a lower tourism base recorded larger percentage increases in overnight stays.

Visitor flows seemed to remain higher for at least one year after the Capital of Culture event as well, although most cities experienced a decline in subsequent years.

Qualitatively speaking, most visitors to Capital of Culture events were local residents, followed by domestic tourists and foreign visitors. Blockbuster events attracted very large numbers of visitors and, notably, Capital of Culture visitors tended to be a "cultural" audience - professional, middle class, highly educated people. This has advantages for cities trying to foster a cultural image or attract high-spending visitors, but does have implications for social cohesion.

Figure 3.8 shows Glasgow's experience in terms of visitor overnight stays.

Figure 3.8. Glasgow index of bed nights (1986-95)



Source: Palmer/Rae Associates, 2004.

There is a clear peak in 1990, the year Glasgow hosted the Capital of Culture, a subsequent fall the year after and then a more healthy increase

sustained over the following three years. These figures imply a reassuring positive response from visitors to the hosting of the Capital of Culture.

However, as Table 3.3 demonstrates, experiences vary dramatically between cities. Thus, careful planning is required in order to capture the maximum benefits from visitors during, and after, a Capital of Culture year.

Table 3.3. ECOC visitor stays

ECOC	% change in visitor stays in ECOC year	% change in visitor stays ECOC +1
Luxembourg 1995	-4.9	-4.3
Copenhagen 1996	11.3	-1.6
Thessalonica 1997	15.3	-5.9
Stockholm 1998	9.4	-0.2
Weimar 1999	56.3	-21.9
Helsinki 2000	7.5	-1.8
Prague 2000	-6.7	5.6
Reykjavik 2000	15.3	-2.6
Bologna 2000	10.1	5.3
Brussels 2000	5.3	-1.7
Bergen 2000	1.0	1.2
Rotterdam 2001	10.6	-9.6
Salamanca 2001	21.6	-
Bruges 2002	9.0	-
Graz 2003	22.9	-
Average	**12.7**	**-3.9**

Source: Palmer/Rae Associates, 2004.

Legacy and long-term effects

Given the levels of investment, especially from the public sector, the issue of long-term legacy is particularly important for Capitals of Culture.

While all cities from 1995 - 2004 set out long-term goals for their year as host of the Capital of Culture, half actually established funds or organisations to continue to pursue these aims. Others highlighted projects that continued to exist after the cultural year, but in general the full potential for long-term development was not always realised, with some expressions of regret that sustainability had not been a key element of their plans.

The greatest positive effects are generally found in:

- Cultural infrastructure improvements.
- More developed programmes of cultural activities and events.
- Increased international profile of the city/region.
- Meanwhile, notable positive impacts are often found in:
- Enhanced pride and self-confidence in the city/region.
- New networks and increased collaboration in the cultural sector.
- New cultural development for the city/region.
- Increasing foreign visitors to the city/region.
- Growing or extending the local audience for culture.

Analysis often focuses on hard legacies (those visible and measurable effects like buildings, visitor economies, new organisations and projects) despite soft legacies (image, skills, ideas) being shown to be just as important for the future development of the city. Interestingly, many events or projects established solely for the Capital of Culture end up being repeated on an annual or bi-annual basis subsequent to the Capital of Culture, perpetuating both hard and soft legacies at the same time.

Some cities do, however, experience negative legacies in the form of adverse effects on future cultural spending or sponsorship receipts.

Establishing a dedicated structure or organisation that has responsibility for managing the long-term sustainability of cultural investments is the most common recommendation emanating from past experience. Planning (that takes place well before the event) should have a time-frame that extends well beyond the actual year of the Capital of Culture.

The Capital of Culture Programme offers a very attractive international event for cities to host. Many cities know that increasing cultural assets is an important step in city redevelopment and growth. However, from our assessment there are important points of caution that must be considered:

- Capital of Culture has a strong visitor orientation. It is essential to be able to use amenities for visitors for residents and others as well. It s important to plan for the cyclical nature of the visitor economy.
- Capital of Culture is an intense and one off programme, what happens before and after is all important, especially in relation to investment and the maintenance of new amenities.

- Capital of Culture sucks in resources from other programmes. It is important not to impoverish other public goods and amenities.
- Capital of Culture will work best when it appeals to very different tastes, it must avoid being elitist if it is secure long term local support.

Overall, whilst al cities have culture, they are not all cultural cities. It is important to be sure that Capital of Culture is right for the city in question.

Case studies

Five case studies are now presented. All information is taken from part II of the Palmer (2004) report unless otherwise stated. The first four cases have been selected to fit into a matrix (Table 3.4), which places rank of city against the year that the city hosted the Capital of Culture. Although direct comparisons are warned against, taking a healthy mix of cities that are either relatively large or small by population in their country and cities that hosted the Capital of Culture before and after the year 2000 (when no fewer than nine cities shared the award, arguably drawing more attention to it) at least ensures a balanced analysis. Each case is analysed using the same five criteria as set out above.

Table 3.4. City of Culture rankings

City size within country by population / Year of Capital of Culture	**Relatively large**	**Relatively small**
Pre-2000	Copenhagen (1996) (1st largest)	Thessaloniki (1997) (2nd largest)
Post-2000	Porto (2001) (2nd largest)	Bruges (2002) (6th largest)

i. Copenhagen (1996)

Figure 3.9. Map of Denmark



Source: CIA World Factbook.

Table 3.5. Copenhagen key data

Year of hosting Capital of Culture:	1996
Rank-size within country:	1st
City population at time:	1.4 million
Total operating expenditure:	EUR 155 million
Total capital expenditure:	EUR 220 million

Official aims

- Wide participation in art and culture in the region.
- Create lasting improvements in art and culture in the region.
- Emphasise the variety and quality of art and culture in the region.
- Place Danish art and culture on the international map.

- Focus on international trends in contemporary art.
- Bring forward unique nature of the city's physical and historical situation.
- Strengthen Copenhagen as a unified geographical area and as a capital city.
- Enhance Copenhagen's role as a European centre.
- Strengthen creativity and quality of life in the region.
- Involve particular groups of the community.

Cultural programme

The Copenhagen Programme was organised around the turning of the seasons. Specific themes included 'the historic city', 'the Nordic' and 'the twentieth century' for Spring, 'the green city' and 'the global' for Summer and 'the future', 'the new Europe' and 'youth' for Autumn.

In total, 670 separate projects were run throughout the year, attracting an estimated attendance of just fewer than 7 million people. Some highlights included: *ArtGenda*, a bi-annual project for young artists around the Baltic Sea, with 800 participants, and; the *Cutty Sark Tall Ships' Race*, with over 100 sailing ships finishing the race in Copenhagen harbour, and with open workshops, food and entertainment along the quayside (Figure 3.10).

Figure 3.10. Cutty Sark Tall Ships' Race



Source: Wikimedia Commons, © 2005 VollwertBIT.

Infrastructure

An impressive list of many new buildings and restoration projects was implemented in Copenhagen for 1996. The focus was on cultural infrastructure, but there was also major non-cultural work in the development of public space, parks, lighting and signs.

Key infrastructural projects were:

- The relocation of four national schools to Holmen (the former naval yards).
- Rehousing the National Film Centre.
- A new Centre for Architecture and National Library.
- The new Arken Museum of Modern Art.
- The new Vega concert hall for rock and jazz.
- An exhibition space converted from a 19th century cattle market.
- New performance space in the former electricity works.
- Conversion of the disused torpedo workshops at Holmen into a theatre.
- Restoration of the baroque gardens at Frederiksberg castle.
- Conversion of a 13th century monastery into a cultural centre.
- Restoration of Copenhagen City Museum.
- A new public park in the city centre.
- 16 ecological centres.

Visitors

Figures in Table 3.6 show there to be a 12.2% increase in overnight stays in Greater Copenhagen by September 1996 as compared to the previous year. Excluding Greater Copenhagen, Denmark as a whole shows a 5% decline in hotel bed nights in 1996 but this may simply be explained by the focus of the cultural programme being on Copenhagen, thus drawing both internal and external visitors to the Capital rather than to the rest of the country.

Table 3.6. Visitors to Greater Copenhagen (1995-97)

Year	Overnight stays
1995	3 537 000
1996	3 935 000
1997	3 873 000

Source: Palmer/Rae Associates (2004)

The decline in visitor numbers after 1996 is seen to be not as significant as the rise from 1995 to 1996, implying that many people were encouraged to visit Copenhagen *after* its year as Capital of Culture. This is an important indication of its lasting legacy, although trends tend to show a more marked visitor decline after the first year subsequent to the event.

Long-term legacy

The planners of the Copenhagen Capital of Culture were aiming to achieve a long-term legacy. The cultural infrastructure investment and improvements were significant and have contributed well to the long-term cultural development for the city/region.

Visitors, both from within and from other countries, have risen, implying a raised international profile for the city/region. As a result, there is certainly a larger visitor market for the local city/regional economy to support. New cultural organisations, such as the Photographic Centre and the Nordic Sculpture Park, are still in existence. Cultural events specifically organised for the 1996 Capital of Culture still happen now (*e.g.* ArtGenda, Memento Metropolis exhibition and Summer Stage).

The only problems emanating from Copenhagen's year hosting the Capital of Culture are subsequent decreased public sector funding and a relative decline in community interest, perhaps spurred by some negative media.

ii. Thessaloniki (1997)

Figure 3.11. Map of Greece



Source: CIA World Factbook.

Table 3.7. Thessaloniki key data

Year of hosting Capital of Culture:	1997
Rank-size within country:	2nd
City population at time:	1.1 million
Total operating expenditure:	EUR 67.4 million
Total capital expenditure:	EUR 233 million

Official aims

- Become the 'metropolis of the Balkans', by upgrading the cultural infrastructure of the city.
- Demonstrate the government's commitment to decentralisation in Greece.

- Improve cultural infrastructure.
- Raise the international profile of the city.
- Improve non-cultural infrastructure.
- Ensure long-term cultural development.
- Enhance pride and self-confidence.
- Foster social cohesion.
- Develop local talent.
- Attract visitors from and improve relations with other countries.

Cultural programme

There were 31 separate themes or principles in Thessaloniki's cultural programme, including "between East and West", "the inner city", "the Balkan dimension", "the circle of inferiority", "land of Jewish martyrs", "city of foreigners", "international events" and "the holy mountain".

In total, 1 271 separate events, attracting 1.5 million people, were run throughout the year, including the following highlights:

- The Treasures of Mount Athos - an exhibition of artefacts from the monastic republic of Mount Athos.
- Pop concert by U2 at the harbour.
- Exhibitions of Goya, Michaelangelo, Caravaggio, Paul Soulikias and Anthoy Caro.
- International architectural design competition for the water front.
- UNESCO conference on Sustainable Development.
- "From Far Away" - summer performances of culture from the Greek diaspora.

Infrastructure

The Thessaloniki Capital of Culture year saw over 300 infrastructure projects come to fruition. Just some of the most notable features of this scheme were:

- The renovation of five theatres and the construction of eight new ones.
- A new home for the National Festival of Cinema.

- Renovation of five warehouses in the port for music, theatre and exhibitions.
- 15 new municipal cultural centres.
- New museums for Refugees, Folklore, Prehistoric Antiquities, Jewish History, Water and Contemporary Art.
- Urban remodelling including pedestrianisation, town square renovations and waterfront extension of the city.

Visitors

Table 3.8 gives visitor numbers in the Thessaloniki Prefecture for the years 1996-98.

Table 3.8. Trends in visits to Thessaloniki Prefecture (1996-98)

	Year before	Cultural year	Year after
Total number of visitors in millions	622 511	717 886	675 387
Total number of overnight stays	1 333 661	1 548 013	1 419 688
Total number of overnight stays by foreign tourists	460 629	556 855	453 212
Average length of stay	4	4	4

A similar trend, albeit on a smaller scale, to that seen in Copenhagen is observable here, too. Visitor numbers do rise in the cultural year and then fall the year afterwards, but not to the same level as they had started at.

Long-term legacy

The Thessaloniki planners, as in Copenhagen, intended for there to be significant long-term legacy implications of the 1997 Capital of Culture year. The very numerous infrastructure improvements, both cultural and non-cultural, are thought to have had the greatest effect in this respect, not least because they are visible and measurable, being 'hard legacy'.

The *Mt. Athos Civil Company* (a collaboration between the city and monasteries on cultural projects) continues to operate, along with the state museums for art, photography and cinema. Thessaloniki still has its new chamber opera. Such examples support the claim that the city continues to have a more developed programme of cultural activities and art events.

A key negative impact relevant to Thessaloniki was that the local community felt a lack of ownership of the projects - there had not been enough community consultation or involvement. With various infrastructure projects being completed after the Capital of Culture year, however, the longer-lasting benefits did at least continue to materialise.

iii. Porto (2001)

Figure 3.12. Map of Portugal



Source: CIA World Factbook.

Table 3.9. Porto key data

Year of hosting Capital of Culture:	2001
Rank-size within country:	2nd
City population at time:	260 000
Total operating expenditure:	EUR 58.5 million
Total capital expenditure:	EUR 227 million

Official aims

- Generate new cultural dynamics that would last beyond the cultural year.
- Increase participation in culture.

- Invest in cultural infrastructure and urban regeneration.
- Promote economic development.
- Raise the international profile of Porto.
- Capitalise on the event to regenerate and develop the city.
- Create a festive atmosphere.
- Enhance social cohesion.
- Attract visitors from Portugal.
- Attract visitors from abroad.

Cultural programme

The main theme of the programme was "Bridges to the Future", alluding to a desire to create new initiatives and structures that would last beyond the cultural year and takes inspiration from the importance of the river in Porto and its impressive bridges.

Three distinct dimensions were emphasises - the link between 'landscape and city', 'memory and the future' and 'I and the other'.

In total, there were approximately 350 projects and 1959 events organised, attracting 1 246 545 people.

Examples of the projects that received investment follow:

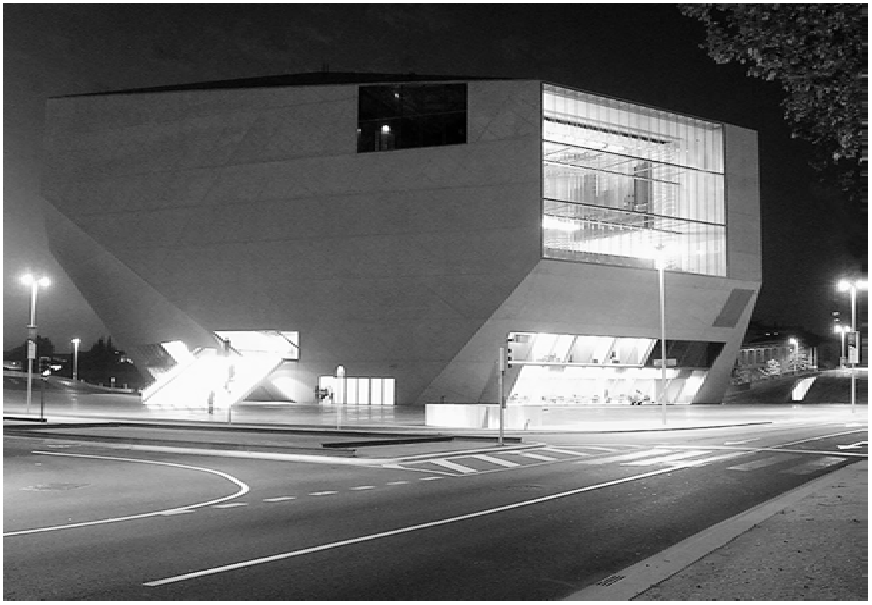
- Opera project - three British opera companies undertook various educational projects.
- Contemporary Dance Festival comprising various international dance companies.
- FITEI Theatre festival - international theatre festival of Iberian expression.
- The "Odyssey of Images" film festival, including screenings, workshops and debates.
- Anthology "Rosa de Mundo" - an anthology of 2001 poems for the future.
- Conference with the Dalai Lama, attracting an audience of 6 000 people.

- The Ponte de Sonhos parade show - over 800 people participated in this parade that animated the down-town area with its sound and light show over the river Douro, drawing 75 000 people.

Infrastructure

By far the most important cultural investment was the Casa de Musica (Figure 3.13), a new 24 000 m^2 space for music (concert halls, studios and other facilities). It was not open until several years after 2001 but was seen as the symbol of the cultural year and easily the most important cultural infrastructure investment.

Figure 3.13. Casa de Musica, Porto



Source: Wikimedia Commons, © 2005 Janekpfeifer.

Several other buildings were restored as part of the cultural investment:

- The National Museum Soares dos Reis.
- The National Theatre Carlos Alberto.
- The library Almeida Garrett da Vitoria.

- The cloisters of the Convent of S. Bento da Vitoria that houses the National Orchestra of Porto.
- The old city prison was converted into the Portuguese Centre for Photography (Figure 3.14).

Figure 3.14. Portuguese Centre for Photography, Porto



Source: Wikimedia Commons, © 2007 Manuel de Sousa.

Important non-cultural infrastructure projects were also initiated including the redevelopment of the down-town area "Baixa Portuense", regeneration of public space including the City Park, improvements to mobility and accessibility in the centre of town including new roads and parking. In all, around 35 roads and squares were redeveloped.

Visitors

Visitor data for Porto is poor because accurate records do not seem to be available for the period before the Capital of Culture. However, we do know that the Serralves Museum recorded visitor numbers, as seen in Table 3.10.

Table 3.10. Serralves Museum visitor numbers, Porto (2000-03)

Year	Visitors
2000	229 315
2001	303 477
2003	260 000

Once again, these figures imply that visitors *were* attracted to Porto during the year it hosted the Capital of Culture and the decline of visitor numbers after the event was not sufficient to return to pre- Capital of Culture levels.

Furthermore, research undertaken by the Association for Tourism and Leisure Education (ATLAS) found that the average visitor spend was EUR 110 per person per day excluding transport. However, visitors travelling to the city specifically for the Capital of Culture event spent on average EUR 237 per day.

Long-term legacy

The Casa de Musico, as mentioned above, was always intended to be the lasting legacy of the Porto Capital of Culture but there is of course much other cultural infrastructure that received investment during the year. With such an ambitious project as the Casa de Musico, a new generation of cultural managers was created, many of whom are said to be keen to continue working in the field on the back of their experience with this project.

However, an unexpected change in political leadership (which was not very interested in following up the cultural work of 2001) meant that cultural and urban regeneration budgets were slashed after 2001. The sustainability of the programme therefore had little chance of surviving and momentum has been lost.

iv. Bruges (2002)

Figure 3.15. Map of Belguim



Source: CIA World Factbook.

Table 3.11. Bruges key data

Year of hosting Capital of Culture:	2002
Rank-size within country:	6th
City population at time:	117 000
Total operating expenditure:	EUR 27.2 million
Total capital expenditure:	EUR 69 million

Official aims

- Put Bruges on the map of international cities with an important cultural programme.
- Move from superficial tourism towards a contemporary cultural tourism.

- Change the image and the cultural activity of the city.
- Improve cultural infrastructure.
- Long-term cultural development.
- Create a festive atmosphere.
- Promote innovation and creativity.
- Attract visitors from home and abroad.
- Non-cultural infrastructure improvements.
- Economic development.

Cultural programme

A total of 165 projects were run in Bruges, attracting 1 600 000 (a staggering number considering the population of the city). A selection of the projects receiving funding:

- *WAV soundscape festival* - sound art with 19 installations by the city's canals.
- *Wijk-Up* - festivities in four of the city's neighbourhoods, with professional and amateur artists.
- *Octopus* - an interdisciplinary project for young contemporary artists.
- *Kaapstad* - a series of projects for young people in the summer, including film and theatre workshops, and the Stubnitz boat as a music centre.
- *Format 2002* - festival on new media and technology in performing arts.
- *Station to Station* - contemporary artists created projects in a number of petrol stations on the main routes into the city.
- *Seven Joys, Seven Senses* - week-long workshops with Belgian artists for final-year school pupils from seven different countries.
- *Sail 2002* - sailing festival at Zeebrugge, with concerts and fireworks.
- *Jazz Bruges 2002* - a new bi-annual jazz festival with ten accompanying CD releases.

Infrastructure

Cultural infrastructure included:

- A new concert hall, the Concertgebouw.
- A modern pavilion on the central square.
- A new pedestrian bridge over the Coupure, completing the path around the old town.

Restoration programmes invested in:

- The spire of the Church of Our Lady.
- The City Theatre.
- The city gatehouse.
- The Town Hall.
- The Music Academy.
- The Council Offices.
- The medieval hospital wards.
- Several other heritage sites.

Visitors

Visitor data is again weak for Bruges, but it is known that in 2001, there were 510 000 overnight stays and the next year, Bruges' Capital of Culture, there were 556 000. This 2002 visitor figure is just under five times the total population of the city, a not insubstantial feat.

Long-term legacy

Cultural infrastructure was once again greatest long-term legacy of the Bruges 2002 Capital of Culture event, with the Concertgebouw concert hall remaining a key and prominent icon of the lasting investment made in 2002. Many of the events created for the cultural programme also continue to exist (the WAV festival and Jazz festival, for instance).

The municipality established '*Bruggeplus*' to oversee the continued implementation of the cultural programme after the end of the year. However, some complained of a lack of ownership by the local population, despite them being consulted originally in matters like the design of the new concert hall.

v. Salamanca (2002)

Figure 3.16. Map of Spain



Source: CIA World Factbook.

Table 3.12. Salamanca key data

Year of hosting Capital of Culture:	2002
Rank-size within country:	38th
City population at time:	156 000
Total operating expenditure:	EUR 39.2 million
Total capital expenditure:	EUR 47 million

Official aims

- Produce an integrated cultural programme of high quality.
- Bring contemporary arts to the traditional image of the town.
- Promote and update the traditional image of Salamanca.

- Demonstrate its commitment to arts and culture as a city.
- Improve cultural infrastructure.
- Attract visitors from abroad.
- Achieve long-term cultural development.
- Attract visitors from own country.
- Develop relationships with other European cities.
- Encourage artistic and philosophic debate.

Cultural programme

The specific orientation of Salamanca's cultural programme was 'the city of thought, of encounters and of knowledge'. It was envisaged that the traditional and contemporary arts would meet during this cultural year. 1 100 events were put on, drawing just under 2 million visitors throughout the year. This is over 12 times the city population and, bearing in the mind that Salamanca is only the 38th biggest city in Spain, an impressive figure. Events included:

- Auguste Rodin sculpture exhibition in the new Santo Domingo exhibition space.
- Opening and closing ceremonies in the Plaza Mayor with Comediants street theatre, circus acts and fireworks.
- "The Fairy Queen" opera.
- Van Morrison and Oasis rock concerts.
- Series of cultural conferences with international specialists, including a congress on baroque opera to accompany the performances series.
- "Basics" book series on the city of Salamanca. Thousands of copies were distributed free to residents and visitors.
- Guided heritage tours of villages in Castille y Leon.

Infrstructure

Key investments in cultural infrastructure included:

- The renovation of the Teatro Liceo.
- The building of the Centro de Artes Escenicas).

- The Multiusos "Sanchez Paraiso", a large auditorium for concerts and sports.
- Construction of the Centro de Arte de Salamanca - a contemporary art museum.
- The conversion of part of a former monastery into an exhibition space "Sala de exposiciones Santo Domingo".

There were also future plans for a cultural zone around some of the new buildings to be developed as part of a wider urban regeneration scheme

Visitors

The total number of overnight stays recorded in Salamanca rose from 677 000 in 2001 to 823 700 in 2002, the year of the Capital of Culture. To put this in some perspective, the rise in overnight stays between 2001 and 2002 is roughly equivalent to the total population of the city. The average spend by each visitor was recorded at just over EUR 80 per day. Taking a total visitor count of just under 2 million, this equates to around EUR 160 million in visitor economy alone, although it is likely that visitors travelling locally would have spent less per head.

For a sense of temporal perspective, Table 3.13 shows the Salamanca Office for Tourism's recorded figures for the number of people asking for information for the years either side of 2002.

Table 3.13. Salamanca Office of Tourism Information requests (2001-03)

Year	Information requests
2001	347 013
2002	721 493
2003	579 645

This again shows a healthy rise in visitor numbers during the Capital of Culture year and then a fall afterwards that does not equate to the original rise; the temporal effects of hosting the Capital of Culture year still seem to be present for at least the following year.

Long-term legacy

Quite apart from the significant cultural infrastructure investment that serves as a hard legacy and the cultural organisations that continue to operate (not least the Centre for Contemporary Art), the city authorities saw the increased numbers of visitors as a key achievement contributing to a

longer-term legacy of hosting the Capital of Culture. For a city that ranks as only the 38th biggest in its country, and therefore faces a continual struggle to distinguish its own image, attracting visitors in numbers that surpassed the city's own population so vastly was no small achievement.

Two dedicated cultural foundations were set up the by the municipality in order to oversee the continuation of the cultural programme, but problems with reduced funding after 2002 were experienced and were not aided by political changes that served to alter the emphasis of investment.

vi. Eurovision Song Contest - Stockholm (2000); Kiev (2005); Athens (2006)

Despite encompassing a very similar geographical area to the European Capital of Culture award, the experience of hosting the Eurovision song contest differs in many ways and therefore offers a stark and important comparison. It is therefore a useful discussion focus to proceed to having explored in some detail the idea of hosting the Capital of Culture.

The Eurovision song contest is an annual competition held among active member countries of the European Broadcasting Union (EBU) and culminates in the live television final which is hosted by the country that won the competition the year before. In this sense, the competition over which city will host the actual event is restricted to the national scale, but there is still potential for different cities within a country to bid for the rights to stage the final. On the night of the final, contestants perform their song before the votes are cast by people at home and then submitted, country by country, via a live television link. Despite the event having something of a bad reputation, especially in the UK, for producing trashy 'Europop', the significance of Eurovision in terms of international media exposure is not to be dismissed so quickly.

Eurovision is one of the most viewed non-sporting events in the world and has repeatedly recorded viewing figures of anywhere between 100 million and 600 million people. With its inauguration being back in 1956, it is also one of the longest-running (by which one might read 'successful') television programmes in the world. The broadcasting of the event is not even restricted to Europe, with countries such as Australia, Canada, Hong Kong, India, New Zealand, South Africa and the United States all having aired the show in the past. Since 2000, the event has also been broadcast over the Internet. In 2006, the online edition was watched by 74 000 people in almost 140 countries worldwide (Octoshape, 2006). So even though the event last only one night as far as television viewers are concerned, these viewing figures mean that it remains a cultural event to be taken seriously by host cities.

Detailed information on the impact of hosting the event is very difficult to come by, so individual case studies cannot be supported in the same depth as was possible for the Capital of Culture. However, information from some of the 21st century hosts does serve to contextualise the potential significance of the event, especially if city authorities see it as less of a television spectacle and more of an opportunity for the city to showcase its people, culture and ambiance in the light-hearted spirit of the competition itself.

Most of the expense of the contest is covered by event sponsors and contributions from other participating nations. Data from the Athens Eurovision in 2006 (Table 3.14) demonstrates that it is perfectly possible for the event to be financially profitable, if well managed, thereby not incurring any long-term debt at all.

The contest is also considered a unique opportunity for promoting the host country as a tourist destination (business interests are not well catered for by such an event). By way of proof, in the summer of 2005, the Ukraine abolished its normal visa requirements for tourists to coincide with their hosting of the contest (Fawkes, 2005), a clear signal that the event was viewed as a major draw for foreign visitors.

Table 3.14. Athens Eurovision turnover

Description	Amount (EUR million)
Costs:	
Overall cost of event	9.0
- of which paid by Greek national broadcaster	5.5
Revenues:	
National sponsors	3.63
International sponsors, advertising revenue and SMS messages	1.45
Ticket sales	2.2

Source: Athens News Agency, 2006.

Host cities are chosen on the basis of their ability to house the event in a suitable venue and also the capacity to accommodate visitors and press that arrive in vast numbers for the contest. Investment is often made in refurbishing and re-equipping the concert venue, along with the hotels in the city. However, because the event is a live show, there is what is known as 'Eurovision week' which involves the participants rehearsing their live act to perfection in the Eurovision venue. As a consequence, fans and journalists also descend on the host city for this week in the run up to the competition and this is the time that city authorities can take advantage of

huge extra exposure. As with many other events discussed in this paper, the relative impact of hosting the Contest seems to be inversely proportional to the size of the city; smaller cities such as Talinn and Riga which hosted the Contest in 2002 and 2003 respectively had their city centres swamped by Eurovision visitors in a manner that was impossible to ignore.

More precisely, visitor figures, along with their motives and spending patterns are available for Stockholm's Eurovision (2000). Usefully compared to some other events in Stockholm, Table 3.15 shows just how significant the Eurovision Contest is in terms of visitor economy.

Having attracted this number of visitors to the host city, authorities make the effort to set up a range of festivities and attractions. Traditionally, the Mayor of the host city receives all of the Eurovision 'delegates' with an official Welcome Party but for the rest of the week, entertainment is not prescriptive and up to the city in charge to decide. In Athens, for instance, day cruises were organised for the delegates to nearby Greek islands, as well as sightseeing tours of the historic centre of Athens. This event clearly does not involve the scale of investment of some of the lengthier, and more serious, global events but the exposure gained can be invaluable.

Table 3.15. Stockholm Eurovision visitor economy

	Eurovision Song Contest	World Floorball Championship	Stockholm Pride	Iron Maiden	Stockholm Horse Show
Number of visitors	30 102	13 000	10 800	26 481	28 210
Share of visitors from other places (%)	46	75	38	65	58
Expenses per person during the stay (SEK)	2 746	4 552	5 625	1 924	4 179
Share of visitors who come to Stockholm specifically for the event (%)	93	96	92	98	95
Specific financial revenues (SEK million)	35.4	42.6	21.3	32.5	65.0

Source: Stockholm Visitors Board, 2007.

Reports from visitors to Kiev for the Ukraine's hosting of Eurovision in 2005 demonstrate how significant the event was to local people:

- "Ukrainians embraced Eurovision, which provided the rare opportunity to host thousands of Europeans who might otherwise have never considered visiting Kiev."
- "Europe has two main venues for tourists - Eurovision and the Olympics, so it's a real door-opener for the country." (Zawada, 2005)

The city authorities in Kiev also used the event to make an assertive political statement; tourists were welcomed on the Saturday prior to the Contest with a celebration of European Union Day that culminated with a huge rock concert in the central square, with performers standing in front of a giant European Union flag. During the concert, artists shouted to the crowd "We want to join Europe, not the Soviet Union, right?" and the visitors responded with a resoundingly affirmative cheer. Throughout the rest of the week, this European spirit was maintained so that visitors were left with a really strong impression of the degree to which Ukrainians are keen to join the EU. The sense of national pride and unity generated by this kind of event should not be underestimated.

Analysis of the Eurovision Song Contest has highlighted that it is an event that does not compare to other cultural events such as the Capital of Culture in terms of the infrastructural or urban development legacy that it can help to create. What this discussion *has* shown is that the international exposure created by such a relatively simple and short-lived event is arguably second to none and that this exposure can be used for gentle political purposes in terms of redefining a country's image. For smaller countries whose national image may be weaker than it would like, Eurovision represents an affordable means to generate this exposure.

Sports events

Of all of the events discussed in this book, sport is probably the category that generates the most enthusiasm, the greatest passion and the biggest buzz. The lure of international-standard competition between human beings striving to be the fastest, the strongest, or simply the best at what they do is difficult to compare to the other types of event on offer. The number of types of sports events competed at the international level is as great as the number of sports in existence. But what makes an international sports event a truly great global sporting spectacle capable of drawing visitors from across the globe and captivating television audiences and business interests alike? There seem to be two answers, both closely linked.

The first is an event that, for the athletes, would be the greatest achievement of their career to win. It is *the* global competition in a single sport. It is the type of event that athletes who win it may consider retiring immediately afterwards, for they will never better that accomplishment. Further, to give it the qualities of captivating people from around the world, the sport in question must itself be popular enough on this global scale. Events fitting this description might be the FIFA World Cup, the Rugby World Cup, the America's Cup, and so on.

The second event is on another level. It is a multi-sport event whereby each sport not only fulfils all of the above criteria, but it is made even more alluring in the context of an international competition to see which country can win the most events. For the athletes, winning an event, or a competition, is not just about achieving for yourself, but it is set in the context of winning for your country. The events referred to here, of course, are events like the Summer Olympics, the Winter Olympics and the Commonwealth Games.

The distinction between single sport and multi-sport events is made here consciously and for good reason, for there are different challenges, risks and benefits for host cities associated with the two sub-categories. More accurately, it is a question of scale, for it follows rather logically that hosting a multi-sport event is a bigger, more complicated and probably more expensive responsibility. The significance of this difference will become apparent through looking at a wide variety of case studies.

But, broadly speaking, what are the benefits, challenges and risks associated specifically with cities hosting sports events?

There is no doubt that hosting a major world sports event will raise the international profile both of the host city or cities and of the country itself. The effects of this world exposure last longer than the event itself and can attract serious business interest, but vary according to how much energy and capital is invested into securing a long-term legacy of the event.

It is highly likely that sporting facilities will either have to be constructed from scratch or at least significantly refurbished in order to meet the requirements and standards of the event in question. This will undoubtedly benefit the professional sports people of the city or country well after the event has finished, but it is important to ensure that that the success of these venues does not depend on the levels of usage, activity and interest that will be generated by the sports competition. Long-term infrastructure needs long-term, sustainable planning and management.

In order to serve, accommodate and mobilise the competitors and spectators inevitably drawn to the event, investment in transport, retail and hotel infrastructure is likely to be needed. Funding all of this investment is a challenge in itself and strict budget management is required to avoid burdening host cities with debts for years after the event. Both private and public sectors will need to work together in raising funds and sponsorship deals must be carefully thought out and managed.

Successfully organising a sporting event of this scale proves to the world that the city or country has outstanding management and organisational capabilities and, if combined with a vibrant celebration of the

culture and characteristics that define the host, the experience will have a lasting impact on city image and the subsequent interest that the country receives from tourists and businesses alike. By the same token, however, underperforming may have an equally powerful, negative effect and produce an image that is very difficult to shake off. Table 3.16 shows how the following case studies are presented in their categories of single sport and multi-sport.

Table 3.16. Sporting events

Sport category	Event	City
MULTI:		
	Summer Olympics	Montreal
	Summer Olympics	Barcelona
	Winter Olympics	Lillehammer
	Summer Olympics	Sydney
	Commonwealth Games	Manchester
SINGLE:		
	FIFA World Cup	Japanese cities
	America's Cup	Auckland

Case studies

i. Montreal - Summer Olympic Games 1976

Montreal's status as a major international city was firmly established by the 1976 Summer Olympics. The Games are famous for being the most expensive ever organised, and the city experienced huge deficits. After the success of Expo (see section "Trade fairs and exhibition events"), no expense was spared for the country's first Olympics.

Firstly, the Games were used as an opportunity to expand the recently built metro system. Areas used for the Expo were then redeveloped for use in the games. For example, in 1975, the Île de Notre-Dame was completely rebuilt in order to provide a new rowing basin. This involved demolishing many of the pavilion buildings, and reducing the size of the artificial lake.

The financial costs of the Olympics were huge (nearly CAD 432 million). This was the result of the city's liberal attitude to the costs, captured by the famous quote of the Mayor, Jean Drapeau, that "the Olympics can no more lose money than a man can have a baby". The investment was huge, as were the financial losses, reported to be USS 2 billion. The city's people, who had been supportive of the Expo event, became increasingly wary of the enormous expense, which they only finished paying off in December 2006. For the years immediately following the Montreal Olympics, there was great concern amongst other potential

host cities as to the debt that they, too, might incur which led to their reluctance to bid. It could be said therefore that Montreal's treatment of the Olympics had negative impacts on the legacy of the event itself, although this of course has now disappeared, with the 21st century Games being healthily competed for and finally hosted by great cities such as Sydney, Athens, Beijing and London.

However, there have been obvious benefits. The Olympics and the Expo contributed greatly to both the city and the country's international reputation. It is unlikely that the modernisation and development that occurred would have happened in the absence of such events. The improvements to the city's accessibility were fundamental to this. Suddenly Montreal was an easily reachable and navigable city, which attracted investment and consequently jobs. The Île Notre-Dame has been converted into a municipal park, managed by the city of Montreal, and for one weekend every year since 1978, the island has hosted a Formula One Grand Prix at the 'Circuit Gilles Villeneuve'. During the rest of the year, local people enjoy the use of the rowing clubs and a beach on the artificial lake.

ii. Barcelona '92 and its impacts

The end of the Franco regime in 1975, and the consequent introduction of democracy into local Spanish councils, marked a turning point for Barcelona, offering the city the opportunity to address many of the problems caused by a prior lack of strategic urban planning and management. Though the City Council initiated a redevelopment strategy in 1980, it was not until the award of the 1992 Olympic Games by the IOC in 1986 that the city began to transform apace into the vibrant place we know it as today.

In general terms, the Olympic Games were a remarkable success. 9 356 athletes competed from 169 nations across 257 events, and the Games were covered by over 13 000 press and broadcasters making the event the largest and most accessible Olympics ever (olympic.org, 2008). In all, the Games attracted USD 6 886 million and USD 4 647 million of funding from private and public sector sources respectively (at 2000 exchange rates) (Brunet, 2005). Though committed to hosting a thoroughly successful event, COOB (*Comité d'Organisation Olympique Barcelona*) crucially, took the strategic decision to invest this funding into securing long-term, positive change for the city. A breakdown of the expenditure of the Games (Table 3.17) highlights an almost 6:1 ratio of spending on building work and infrastructural improvements relative to funding spent organising the event itself (Brunet, 2005). Brunet underlines this dual focussed approach suggesting that investments were not only "central to the original Olympic impetus, they were also important in completing and enabling continuation

of the urban transformation and strategic strengthening process" (Brunet, 2005, p.10).

Table 3.17 Application and use of economic resources of the 1992 Barcelona Olympic Games 1992

Accumulated value 1986-1993	Pesetas (million)	USD (million) [a]	EUR (million) [a]	Distribution (%)	
Application and use of resources	**1 119 510**	**11 532**	**12 474**	**100**	
1. Organisation [b]	**162 880**	**1 678**	**1 815**	**14.5**	**100**
1.1. Competitions	14 045	145	157	1.3	8.6
1.2. Ceremonies and cultural events	9 053	93	101	0.8	5.6
1.3. Press, radio and television	18 254	188	203	1.6	11.2
1.4. Preparation of facilities [c]	13 510	139	150	1.2	8.3
1.5. Technology	24 791	256	277	2.2	15.2
1.6. Olympic family services	37 023	381	412	3.3	22.7
1.7. Security	4 671	48	52	0.4	2.9
1.8. Management and corporate image	18 618	191	207	1.7	11.5
1.9. Support structures	22 915	236	255	2	14.1
2. Resources applied to building work [d]	**956 630**	**9 855**	**10 660**	**85.5**	**100**
2.1. Roads and transport	404 514	4 167	4 507	36.1	42.3
2.2. Telecommunications and services	123 313	1 271	1 375	11.1	2.9
2.3. Coasts, recovery work and parks	60 438	622	673	5.4	6.3
2.4. Housing, offices and premises	139 741	1439	1 556	12.5	14.6
2.5. Hotels	119 884	1 235	1 336	10.7	12.5
2.6. Sports equipment and facilities	87 511	902	976	7.8	9.1
2.7. Cultural and health facilities, and others	21 229	219	237	1.9	2.2

Note: a) At 2000 rates; b) COOB'92 programmes; c) not including building work; d) public and private investments linked to the Games = Olympic Legacy.

Source: Brunet, 2005.

Olympic facilities were spread over four neglected urban areas, which gave local planners justification and resources to initiate comprehensively redevelopment. The Olympic Village, a 130 acre site, developed at Parc de Mar, was constructed by HOLSA on an abandoned industrial land close to the coast, whilst the other large construction project essential for the hosting of the event was the Olympic Ring complex, which encompassed a large

area around the Montjuic Park site. Here, the Stadium, used to host the Universal Exposition in 1929, was rebuilt to modern standards, and the façade and interior of Picornell Swimming pool, built in 1969, were comprehensively renovated. Two brand new structures were also built: the Sant Jordi Sports Hall, and the National Institute of Physical Education of Catalonia (COOB'92, 1992).

Intended to benefit the people and businesses of Barcelona in the longer term, a great deal of work was done to consolidate, reorganise and improve the city's infrastructure. By 1991, substantial work on the telecommunications system of the city resulted 30% of the telephone exchanges being digital, and the completion of a 40 000 km fibre optic network. In line with advances made by other European cities, Barcelona also constructed the show-piece Granada del Penedes Satellite Communications Complex to take forward the city's communications network into the 21st century and to attract further investment (COOB'92, 1992).The road network was the target for a disproportionately large amount of funding. USD 4 167 million was spent on updating and expanding the network, which saw a 15% expansion in the total number of roads in the city between 1989 and 1992. Two new ring roads were specifically designed to be fast-moving in order that they could carry a high volume of traffic, thus reducing urban congestion (Select Committee minutes on Culture, Media and Sport, 2003).

The reorganisation of the City's railway network complemented the improvement to the roads, as a number of routes were redirected and two new stations were constructed on the outskirts of the City. The other major infrastructural project to take place was the extension of the outdated Barcelona Sewerage system, and to improve its efficiency and the quality of life of Barcelona residents between 1989 and 1992 the length of sewerage system was increased by 17% (Select Committee minutes on Culture, Media and Sport, 2003).

Though infrastructural projects undoubtedly had a socially progressive impact, there were a number of initiatives that had a more direct and ostensible impact on the people of Barcelona and its landscape. Money was spent on the beautification and renovation of thoroughfares and town squares such as Plaça de la Mercè and Plaça Reial. There were also a series of culturally-orientated projects such as the renovation of the National Museum of Art of Catalonia and the Centre of Contemporary Culture (COOB'92, 1992). The conversion of the old industrial area of Poblenou into a high quality residential area and the regeneration of Barcelona's seafront, in 1987, with the redevelopment of the Bosch i Alsina wharf represent other successful examples of using the Olympic Games to enact positive socio-economic change in the city (Select Committee minutes on

Culture, Media and Sport, 2003). As a result of these improvements, between 1989 and 1992 the areas occupied by green zones and beaches increased by 78%, with the numbers of fountains and ponds increasing by 268% (Select Committee minutes on Culture, Media and Sport, 2003). Consequently, the image of Barcelona began to change from one of deprivation and deindustrialisation to one of prosperity, confidence and culturally vitality that is attractive to investment and tourists alike.

Arguably, it was the economic impacts of the Games that were felt most strongly. Over the shorter term, the lead up to the opening ceremony on 25th July 1992, and the hosting of the events, represented a boom period for Barcelona. To meet building demands, an additional 33 000 construction jobs were created, which was accompanied by an increase in the consumption of cement by a factor of 2.5 between 1986 and 1992 (Brunet, 2005). 20 000 posts in the hotel catering sector were created as hotel capacity in the city expanded and demand increased.

There were also extensive volunteering opportunities throughout the duration of the Games themselves and the build up to them with an eventual figure of almost 35 000 people lending there time to support the event (olympic.org, 2008). Indeed, between October 1986 and July 1992, the general rate of unemployment in Barcelona fell from 18.4% to 9.6%, compared to a 1992 Spanish rate of unemployment of 15.5, with Olympic-based activity generating, on average, annual occupation rates of an additional 35 309 people in the city (Brunet, 2005). Though critics argue that the employment created was temporary, of smaller scale than anticipated given the high proportion of investment in the construction sector, and unpaid, the short period between the award of the Games in 1986 to the closing ceremony in August 1992, marked one the single most important opportunities for the city of Barcelona in its history. By almost every account, the city and its people took their chance to project an image of new-found confidence, unity, economic vigour, and cultural vitality. Barcelona itself was on the front page of more than 15 000 newspapers around the world, with a total estimated circulation of 500 million copies, a world record-breaking figure (De Guevara et al, 1995). The Wall Street Journal observed that the 'Olympic Games have not only changed the city's body but also its mind' whilst The Times quoted that Barcelona 'is emerging from years of Francoist repression and is turning into one of the main focal points of Europe' (De Guevara et al, 1995, p.12). Le Figaro simply labelled Barcelona as 'insatiable' (De Guevara et al, 1995, p.12).

It is difficult to underestimate the impact that this six year period had on the future of Barcelona and its economy. The total economic impact of the lead up and delivery of the 1992 Games was around USD 26 billion (Select Committee minutes on Culture, Media and Sport, 2003), and additional

permanent employment was secured for an estimated 20 019 people (Brunet, 2005). The new found confidence of the people of Barcelona and of the outside world in Barcelona made it an attractive place to visit and invest. By the year 2000, the number of foreign visitors to the city had doubled from the 1992 level, reaching a total of 3.5 million per year, which represents a far better performing Tourism sector than Seoul, Atlanta and even Sydney (Brunet, 2005). Furthermore, Barcelona's European ranking as an FDI centre rose from 11th position in 1990 to 6th position in 2001 (Brunet, 2005). A paper by Healey and Baker (2001) emphasised Barcelona's progress within a European hierarchy of cities framework, in which it jumped from 11th position in 1990 to 6th in 2001 (Table 3.18), and thus confirming the Games as a remarkable success for the city.

Table 3.18. Ranking of European cities

1990	City	2001
1	London	1
2	Paris	2
3	Frankfurt	3
4	Brussels	4
5	Amsterdam	5
11	**Barcelona**	**6**
7	Zurich	7
17	Madrid	8
15	Berlin	9
12	Munich	10
9	Milan	11
8	Geneva	12
-	Dublin	13
13	Manchester	14
19	Stockholm	15
16	Lisbon	16
6	Düsseldorf	17
14	Hamburg	18
10	Glasgow	19
18	Lyon	20
23	Prague	21
21	Budapest	22
20	Vienna	23
-	Copenhagen	24
-	Rome	25
-	Helsinki	26
25	Warsaw	27
-	Oslo	28
22	Athens	29
24	Moscow	30

Source: Healey and Baker, 2001.

Forgiving the cliché, *The New York Times* well-captured this sense of achievement writing, two days after the Game's closing ceremony, "the athletes never had a chance. It doesn't matter how high they jumped or how fast they ran... the Gold Medal went to Barcelona" (De Guevara et al, 1995; Brunet, 2005).

Winter Olympics, Lillehammer (Norway), 1994

Before the Winter Olympics arrived in Lillehammer, the city and its region were neither very well known internationally, nor particularly prosperous. There were only 24 000 inhabitants, so neither was it a city of great size, especially in comparison to cities that had hosted the Winter Olympics before it. The main argument for attracting the Olympics was that the mega-event would stimulate industrial growth and contribute to the creation of new jobs throughout the region, although there was mixed opinion over whether this would actually happen. Nevertheless, a Norwegian Government White Paper of 1988 declared that "The Winter Olympics in Lillehammer in 1994 will be the single initiative that more than other known policy measures will contribute to the growth and development of this region towards the end of the century" (Spilling, 1996).

Thus, the extent to which city and national authorities were looking to the Olympics to catalyse growth in the region is clear and it is no coincidence that the event brought the region considerable rewards. Temporary organisations were set up just for a short period of time to manage separate stage of the preparation and construction process, which lasted for many years. In total, during this period, it can be estimated that the Olympics stimulated economic activity of about NOK 11-12 billion (Spilling, 1996), which equated to between USD 1.7-2 billion in 1996. Of this, just under half was allocated to infrastructural investment, be that sporting facilities, transport links or accommodation.

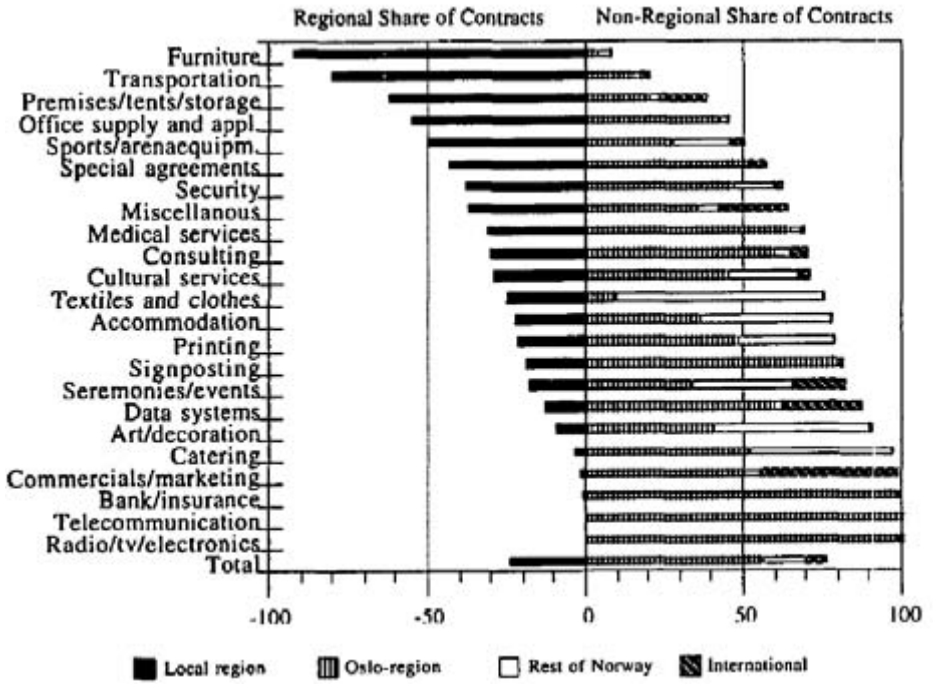
There is no doubt that, as far as the event itself was concerned, Lillehammer delivered a very popular competition. Up to 200 000 people per day attended the Games - a significant undertaking given the population size of the city - and overall more than 2 million spectators were recorded. Furthermore, estimates of the television audience that watched the competition reach nearly 670 million.

But, in the short term at least, one of the key successes of the Lillehammer Olympics was the degree to which the local economy was stimulated, as had been originally hoped. Figure 3.17 shows, for instance, what proportion of contracts were awarded to local businesses, indicating roughly how much of the additional income generated by the event was kept within the local economy:

In addition to these benefits, the Lillehammer tourist sector saw a significant boost, most notably, actually, *before* the Games had happened; Figure 3.18 shows a 100% increase between 1989 and 1995 for the three municipalities shown. This was in line with a very large expansion in capacity (75% growth for the Olympic region as a whole) that was accumulating before the event began. The investment required to support this growth was well thought through, however, and this increased capacity was converted to other uses after the Olympics, since the visitor numbers could not be expected to be sustained at this level.

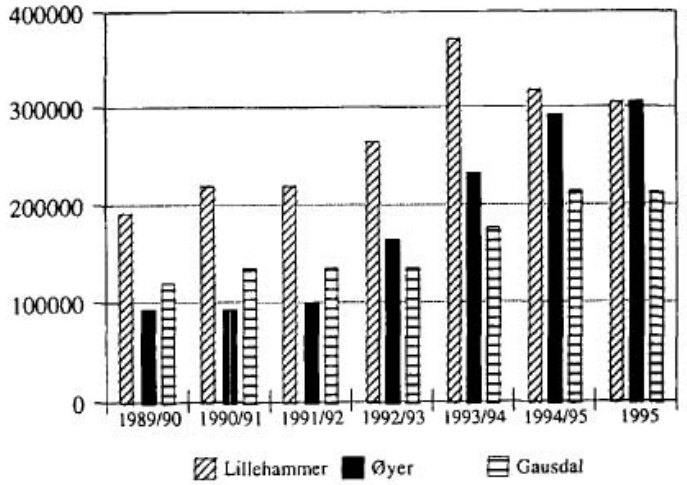
All in all, these figures show that Lillehammer organised a very successful Games that saw plenty of benefits being directed straight back into the local economy. Attracting such a large number of visitors ensured widespread, positive exposure and the region acquired a higher profile as a result, underpinning a longer-lasting visitor legacy for when the Games finished.

Figure 3.17. Regional economic impacts of 1994 Winter Olympics, Lillehammer



Source: Spilling, 1996.

Figure 3.18. Tourism development in the core area of the Lillehammer Olympic region



Source: Spilling, 1996.

One aspect of Lillehammer's longer-lasting development is that the region has developed as a major organiser of a variety of events. This is an important lesson for all involved on the managerial side of a large, global event like the Olympics because these are unique skills that do have a market value. The region now regularly hosts a large number of events that did not take place there in earlier years. This is a mixture of conferences, conventions, fairs, concerts and sporting events. During the winter of 1995 alone, 10-12 major sporting events such as World Cups and world championships took place, and a similar number of events took place during the 1996 winter season (Spilling, 1996). The successful sale of the city as a place with expertise in big sporting event expertise has therefore ensured that the Olympics was only the beginning of a *tradition* of hosting such events.

There are, however, important lessons to be learned from the Lillehammer Olympics experience. Many of the original Olympic facilities, for example, have costs which now far exceed their revenues. This situation was envisaged, so an endowment funds were organised and the interest earned used to subsidise the facilities. However, these funds remain insufficient to cover the ongoing debts, meaning local municipalities have had to start contributing to the upkeep of the facilities. Furthermore, the events that Lillehammer has gone on to organise that use these facilities have failed, in the absence of a coherent event strategy, to attract the requisite number of visitors to ensure revenues were sustained.

So although Lillehammer successfully gained new infrastructure, image, visitors and a reputation (and associated business) for organising big international winter sporting events, the main lesson learned seems to be that most of the benefits are best felt in the short-term unless dedicated resources are allocated to the sustaining them into the medium and long-term.

iii. Sydney - Summer Olympic Games 2000

Sydney is the capital of New South Wales, Australia, and has always enjoyed a high international profile (Figure 3.19), much more so than the country's capital, Canberra. This was increased when it hosted the Summer Olympic Games in 2000. Where once it might have had a remote back-woods image, it now seems modern, diverse, open, and vibrant. It had, like most recent Games, a very business-oriented approach, and the New South Wales Government worked hard to ensure a high level of public/private sector cooperation with a highly effective network of State, Commonwealth and corporate entities. Thus the Games yielded substantial financial and economic benefits to New South Wales and Australia, as well as positively impacting on the city's social and cultural assets.

Figure 3.19. Sydney Opera House



Source: Wikimedia Commons, © 2004 Enoch Lau.

An important, and bold, element of this was the innovative Olympic Arts Festival, a four year cultural celebration beginning in 1997, which used the Olympics as an opportunity to showcase a "kaleidoscopic view of the best in art and cultural events drawn not only from Australia but also from many parts of the world" (see Rivera website). The Festival helped to galvanise support from the non-sports sectors of the community by emphasising that the Games were to benefit the city as a whole. This being said, when the Games began in September 2000, they naturally over-shadowed the well-intentioned project.

The Games themselves were a great success and the city fared very well under the spotlight. Under the surface of this great public show was a carefully orchestrated massive investment of public and private funding that has had a lasting impact on Australian businesses, and has changed the way Australian sports are funded. Since the Olympic Games, Australia has become one of the most commercially viable centres for sports branding in the world. There is now barely a team or a stadium without a corporate sponsor.

The Sydney 2000 Games, like most others preceding it, had a very broad range of objectives. In comparative terms, however, the focus on industry development, investment attraction and national tourism was stronger than for any recent Olympic Game, and the inward investment and business development programmes implemented are recognised as the current best practice strategy. The total economic stimulus from the Sydney Games ranks among the highest for recent Games (PricewaterhouseCoopers, 2001); Table 3.19 indicates the estimated costs and revenues in pounds sterling.

Table 3.19. Sydney, summary costs and revenues

GBP [a] million (out turn figures)	Costs	Revenues	Surplus/deficit
Staging (SOCOG)	793	883	+90
Infrastructure	1 221	432	-789
Elite Sports	233	0	-233
Tourism benefits	5	2 448	+2 443
Other benefits [b]	0	1 785	+1 785
Total	2 252	5 548	+3 296

Note: a) Based upon 1 December 2000 exchange rate of GBP 0.37=AUD 1, USD 1=AUD 1.89; b) Other benefits include: Inward investment - GBP 219.8 million, Exports - GBP 1.110 billion, Conference bookings - GBP 233.1 million, Olympic contracts for local businesses - GBP 222 million.

Source: Arup & Insignia Richard Ellis, 2002.

Furthermore, Price Waterhouse Coopers' (2001) report includes a detailed account of some specific financial benefits enjoyed by Sydney, a year on from the Games themselves. Table 3.20 shows how specific stakeholders benefited from the Sydney Games.

Table 3.20. Economic impact of the 2000 Sydney Olympic Games

Description	Amount (AUD)
Business:	
New business generated by the Australian Technology Showcase	288 million
International exposure for business profile of Sydney, NSW and Australia	6.1 billion
Business events committed since the end of the Games	203 million
The Games:	
Ticket sales revenue for organisers	610 million
Sponsorship revenues for organisers	680 million
Private sector investment on Games-related venues	1.1 billion
City infrastructure:	
Infrastructure development injection	6 billion
Sydney airport upgrade	2 billion
Post-Games sports infrastructure and service contracts	2 billion
Beautification of Sydney CBD	320 million
Tourism:	
Inbound tourism spending during 2001	6 billion plus

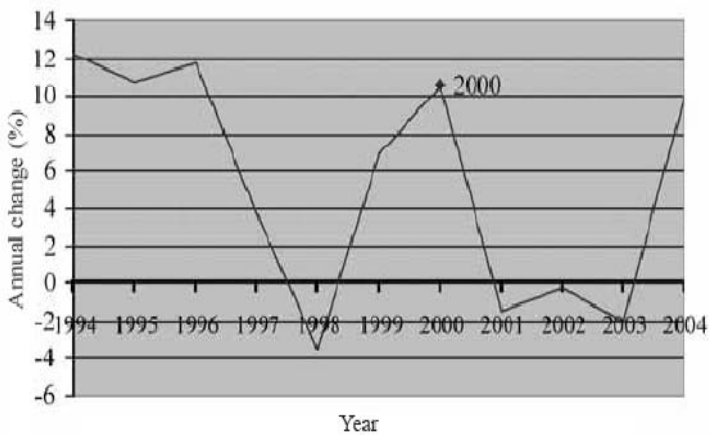
Source: PricewaterhouseCoopers, 2001.

So there were undoubtedly clear, lasting financial rewards for the substantial investments made for many interest groups in the city, region and even country as a whole. The PWC report even notes that the "quality and magnitude of the opportunity [of hosting the Games] is further reinforced by the experience of Australian firms in successfully competing to undertake work on the Beijing 2008 Olympics bid". The experience gained by organising such a successful Games can open up substantial business opportunities, which is a further indication of the longer-term benefits for a city.

This is not to say, however, that the impact of The Games in the short term was always directly positive - it would be a mistake to assume that events such as the Olympics always were unquestionably beneficial. The Games did serve as a magnet for domestic and international tourism and rapidly accelerated the process of elevating Australia's already well established international profile and brand. This being said, data from the Australian Bureau of Statistics indicates that the displacement effect on

tourism both before and after the Olympics was noticeable. Figure 3.20 shows changes in visitors numbers to Australia over time and two discernable 'troughs' are identifiable either side of the Games. Displacement effects, both temporal and spatial, are important consideration for a host city planning to make the most of the event it is staging.

Figure 3.20. Visitor numbers to Australia, 1994-2004



Source: Australian Bureau of Statistics.

The Games are also famed for being the most "green", with preparations involving:

- Extensive land reclamation and decontamination for the construction of the Sydney Olympic Park.
- Low energy use designs for new buildings (reducing greenhouse gas emissions by 10 000 tonnes each year), including a solar-energy Olympic Village.
- Plumbing systems that use recycled water for flushing toilets (reducing the consumption of drinking water by 50%).
- New recycled food and beverage packaging developed especially for Sydney 2000 (Department of the Environment and Water Resources website).

A final aspect of the Games which has been investigated by researchers at the University of Birmingham, UK, and the University of Sydney, Australia, involves more of a social focus. In a paper presented at a Royal College of Psychiatry conference, these researches reported that they had found that the suicide rate in Sydney fell in the run up to the Olympic

Games. The suggested reason is that such an event fosters a communal sense of well-being and local communities directly experience the benefits as the Games approach (BBC News, 2004). However, it must be noted that the rates did sharply rise again after the Games. Nevertheless, this study still conveys the rather dramatic positive impact that hosting the Games can have, other than the financial and economic benefits, on effecting social change.

In terms of lasting legacy, quite apart from the economic and infrastructure elements outlined above, the following quote from the post-games report of the Sydney Organising Committee for the Olympic Games (2001) highlights the both the potential offered by hosting an Olympic Games in the 21st century and, arguably, the success that Sydney achieved:

> Most importantly, in a globalised world, cities which claim a place in the sun need to be able to function as good and effective world citizens. Sydney demonstrated this capability in its hosting of the Games in respect of all the many ramifications of this role, including visitor hospitality, city management, transport and airport operations and, above all, the unique combination of natural beauty and friendliness of the city. The recognition of Sydney's world citizenship by Sydneysiders and other Australians, and the world at large, may well be the most enduring legacy of the Games. (SOCOG, 2001)

iv. Manchester - Commonwealth Games 2002

Manchester's bid for the Commonwealth Games made clear that its aim was not only to deliver a world-class event, but also to make the games bring about more than just a short term glory for Manchester and the region. They wanted to maximise the benefits by leaving "a lasting legacy of new sporting facilities and social, physical and economic regeneration" (Manchester City Council, 2003). By all accounts, it succeeded in both.

The Games themselves were a remarkable success. It was the most significant multi-sport event to be held in the United Kingdom since the 1948 Summer Olympics, involving nearly 4 000 athletes competing in 14 individual and three team sports. Nearly one million people - including many from the city and surrounding area - attended the 11-day competition, and over 200 hours of live broadcasts were watched by millions around the world. Many were sceptical about Manchester's ability to host such a major event. But once the Games were under way, the critics were few and far between and the world applauded the city for running such a world class event with efficiency and enthusiasm.

An important factor behind the success of the Games was the commitment of the people of Manchester. They were proud to be the chosen host city and happy that the organisers wanted to create a legacy for the future. Many volunteers and young people involved with the games, and many of the ticket holders, were people from the north of England.

Crucially, however, it was the decision to invest time and money in redeveloping a large part of East Manchester that secured the success of the event both for the city and its people. This area had particularly suffered within the city, remaining largely derelict since the departure of heavy industry some decades before. Crime rates had risen and the housing market had collapsed following the exodus of heavy industries (which had left up to 60% of factory workers jobless). Added to the already serious problems of poor infrastructure and derelict land, these factors led to a significant reduction in the resident population.

So the area was chosen to be the location for the new Sportcity, complete with commercial centre, at the heart of which was to be built a 38 000 seat stadium (now Manchester City soccer team's home ground). It cost GBP 77 million, with the money coming from Sport England, an organisation funded by the government and the National Lottery. The council had previously acquired the Eastlands site, with GBP 70 m of central government money, when they unsuccessfully bid for the 2000 Olympic Games. The awarding of the Commonwealth Games was an absolutely crucial factor in helping to secure further regeneration funding and attract private investment to East Manchester. This could not come soon enough as, despite previous efforts, the East Manchester of the mid 1990's was still unable to retain its businesses and residents. The consequent positive social impact was enormous, and there is no reason why this should not continue to be a long-lasting benefit, as was intended.

The construction itself began the regeneration, as it brought work opportunities to local people. Clearly, in itself, this is not a long-term solution; but the city council was not being short sighted. It was not just Sportcity that was being built, but houses and retail parks too. It was a long term project that began with the bids for the Olympic and then Commonwealth Games, which brought in initial investment and began to restore local people's pride, but then gathered momentum and continued to grow long after the Games finished.

The Games also accelerated a number of major transport schemes, including redevelopments of the coach station and the airport, and completion of the final link of the inner relief road in Manchester aiming to reduce congestion. The transport received a lot of publicity during the games themselves for being, uncharacteristic of a British city, amazingly efficient

and coping so well with the numbers. The organisers were very proud of the fact that 80% of the trips to the games were made by public transport.

A detailed statistical breakdown of the benefits of the games is captured in Table 3.21, which draws from two post-Games assessment reports, one by the Organising Committee of the Commonwealth Games (2002) and the other by the independent Cambridge Policy Consultants (2002).

An important contributor to the success of Manchester's investment was that they had carefully thought through how they could use vast amounts of funds that they had to invest in such a way as to ensure the support of the local people in the venture and guarantee a long term positive return for the community; no major expenditure was made that did not have its own economic and social rationale beyond the Games. Such simple ideas as using local volunteers brings about economic benefits, as volunteers gain skills and CV points that make them more employable, and gives them a renewed confidence about seeking training and employment. Any city or organisation would expect the successful delivery of such a huge event to deliver benefits to tourism, sporting infrastructure and measurable commercial gains.

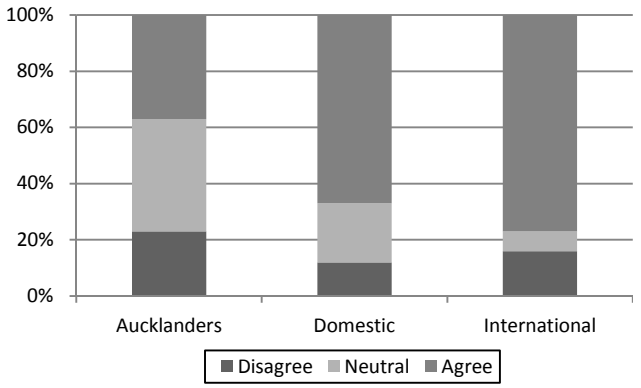
Table 3.21. Statistical benefits of 2002 Commonwealth Games, Manchester

Description	Amount
Regeneration investment:	(GBP million)
Public investment in regeneration infrastructure	670
- of which in East Manchester	570
Investment in new sporting facilities	127
Investment in new transport schemes	800
Estimated return on GBP 1 million public investment	2.7
Km² of derelict land reclaimed	146 km²
Employment:	
Jobs created to construct the games	2 050
Jobs created to run the games	250
Jobs created from developments 3-5 years post-Games	4 000
Social benefits:	
Number from disadvantaged communities gaining bespoke accredited qualification for volunteering to work at the games	2 000 plus
Tourism:	
Estimated visitors to Sportcity annually after the games	4.5 million
Image effects:	(GBP million)
Inward investment attributable to raised profile of the City	35

Source: Cambridge Policy Consultants, 2002; Organising Committee of the Commonwealth Games, 2002.

Indeed, pubs and restaurants in Manchester reported a threefold increase in takings during the Games (Figure 3.21) and local tourism board 'Marketing Manchester' estimate some 300 000 more visitors will come to the city each year as a result of its increased profile. The physical sporting legacy of the games is undeniably significant and includes the Northern Regional Tennis Centre, the National Squash Centre, the City of Manchester stadium, the Manchester Velodrome, facilities for athletics and the Manchester Aquatics Centre. Along with the upgraded Belle Vue and Moss Side leisure centres, all serve the local communities as well as acting as national sporting assets. In fact, many commentators believe a key factor in London winning the 2012 Olympic Games was the raised perception of the UK's ability to host major international sporting events on the back of the success of the Manchester Commonwealth Games. Successfully hosting an international event can secure huge benefits for the city and its local region. Arguably, Manchester went further.

Figure 3.21. Downtown perception: Origins of increased revenue



Source: Johnston and Switzer, 2002.

Market Economics Ltd. are quick to emphasise, however, that the above economic analysis does not necessarily equate to direct benefit, although additional value and employment are clearly important components of benefit. There was, for instance, some concern that all of the focus on the Viaduct Basin area meant that business was transferred from suburban areas to the site of the America's Cup. Johnston and Switzer (2002) reported this finding after interviews with local businesses and even found indications that trade had not recovered over the winter months following the Cup event.

Nevertheless, attracting the capital injection, ensuring the employment gains and achieving the raised status outlined above, not just for the city, but for the country as a whole shows a highly beneficial event being used to its full potential.

v. 2006 Turin Winter Olympics

Turin's story is one of the more striking examples of how the hosting of a global event can be used as a powerful catalyst for city (re)development and branding change in a way that simply could not have been otherwise achieved. During the 20th century, the city was traditionally most well known for being synonymous with Italy's motor industry. Yet just as was proved in 1861 when the city started the movement that led to political unity in Italy, Turin showed once again in 2006 that it is not a static city and can dramatically re-invent its role and vocation (Bondonio and Campaniello, 2006). This radical transformation was of course primarily to host the 2006 Winter Olympics, but in fact the city authorities saw the event first and foremost as a component of a much wider city and regional development strategy. This is superbly exemplified in city's development agency document *The Strategic Plan for Turin, 2000-2010*, which notes that the Olympics was a "formidable opportunity to schedule and accelerate changes in synch with the prospects defined by the Plan" (see Torino Internazionale website).

It is worth outlining the wider need for this redevelopment strategy in Turin in order to fully appreciate the impact of hosting the Winter Olympics on the city. Bondonio and Campaniello (2006) report that early in the 20th century, Turin re-invented itself as a "city-factory", becoming one of Italy's prime industrial manufacturing centres with an extensive network of interdependent enterprises. The subsequent growth of FIAT supported a process of large-scale immigration and population growth, higher than that for other Italian cities. This process took the city from just over 700 000 inhabitants in 1951 to 1 000 000 in 1961. This fast, overpowering expansion was accompanied by acute social problems and a widespread sense of "urban unease", reflected in the city's "over-polarisation" and characterised by an extremely limited class of bourgeoisie industrialists and huge volume of blue-collar workers (Bondonio and Campaniello, 2006).

From 1975 onwards, however, economic crisis and depression affected Italy and gripped Turin with its high dependency on the manufacturing industry. This forced the city to re-think its future and take on the challenge of another new beginning. The 1990s saw the approval of the city's new urban planning scheme, drawn up by independent consultants Gregotti and Cagnardi (1995), which saw the underground system being redeveloped to

link the two halves of the city and using abandoned industrial sites for new developments. The city then also began a systematic consideration of its future, being the first Italian city to specially form a dedicated organisation committed to Turin's development strategy, 'Torino Internazionale' in 2000. For the first time, the city started sponsoring events that would help redevelop the city and improve its international networks. On this basis, the 2006 Winter Olympics were seen as an ideal event for Turin's development strategy to incorporate and the city successfully bid for the honour of hosting the XXth Winter Olympics.

From the perspective of the Games themselves, Turin 2006 was seen as successful on many fronts. Most notably, there was a record 80 national teams competing at the Games, of which medal winners came from four of five continents, highlighting the universality of the Games. There was also success on the TV front with a total coverage of 16 311 hours, an increase of 57% over Salt Lake City, the previous hosts. The global audience was up 2.5% to 3.1 billion people, thanks to an increase in the number of countries broadcasting the Games (up from 160 in Salt Lake City to 200 for Turin). About 900 000 tickets were sold for the Games, showing that not only the local population but also winter sports fans from across the globe were able to come to Turin and experience the Olympic Winter Games first hand. Turin 2006 also had great success with its sustainable management of the Games, and was commended by UNEP on its work (IOC, 2006).

As with most cities hosting multi-sports events, Turin undertook large-scale construction in preparation for the 2006 Games. The competition venues were fairly widely distributed between Turin, in the Piedmont region, which hosted the ice competitions and ceremonies and six districts in the Alpine valleys (70-80 km away), which hosted the snow-based events. The Olympic Village in the city, linked to the district of Lingotto by a newly-built iconic pedestrian bridge, was sited just to the north of the FIAT factory, a highly symbolic location in terms of the longer-term objectives of the Turin authorities. But perhaps inevitably, due to the geographical area over which the event was spread, the infrastructural investment requirements were high. Table 3.22 outlines the expenditure and importantly, the balance of public and private funding ('Law 285/00' refers to government funding).

The changes resulting from this massive investment are a highly visible representation of the city's move from a centre of manufacturing to a service economy. There have been significant infrastructural changes, including the movement underground of some of the railway lines in order to improve the city's aesthetics at the same time as gaining functional space above ground. High speed train links to other European cities were also introduced. This investment should be seen as favourable positioning in terms of post-

Table 3.22. Expenditure for the 2006 Turin Winter Olympics
(USD millions)

	L.258/2000	Other sources of funding	Total cost
Infrastructures	479	544	1 023
Housing, offices, commercial sites	308	215	523
Sports facilities	631	23	654
Environmental infrastructures	7	1	8
Total	1 425	768	22 07

Source: Bondonio and Camapniello, 2006.

Olympic development. As is often the case with Olympic events, however, the city did incur a final deficit (of USD 33 million, corresponding to 2.48% of the total costs incurred). This is not necessarily a problem, provided the tangible and intangible benefits continue to accrue after the event, which, it is fair to say, seems certainly to be the case.

In terms of the city's international profile, for instance, as a result of the Games Turin is reportedly by far the most frequently-mentioned Italian city abroad, with twice the number of articles compared to Rome, and three times as many compared to Milan. Compared to the same month of 2005, articles about Turin rose more than sevenfold while the Olympics were in Turin in 2006 (Bondonio and Campaniello, 2006). Tourism has also increased significantly but (importantly) is changing, since visits are far less related to industry (in the past they were very closely related to FIAT and car-related industries) and trade fairs, with there being far more tourist destinations to attract more families and more weekend stays.

Naturally, new and improved transport infrastructures, communications between the city and its regional districts, improvements to hotels and other such investments continue to have lasting benefits. Important, too, were the innovative methods used with regards to the environmental management and auditing of the venues used, especially in the Alpine valley sites that hosted the snow-based events. An ecological sponsorship campaign awarded a logo to sponsors who manufactured in compliance with predetermined environmental sustainability criteria, while at the same time a campaign to distribute the Ecolabel among hotels was launched. These are initiatives that, having been already set up and implemented, will continue to benefit the local environment through the involvement the business community. This is an example of a less visible benefit which, nonetheless, has highly important, tangible local implications. The same could be said of the skills and experience gained by the organisers of the Turin Games for these are assets that will continue to be valuable and beneficial for years to come. In

fact, the list of scheduled global events set to be hosted by Turin in the near future (including the 2007 Winter Universiade, the 2008 World Congress of Architects and the 2008 World Capital of Design) is perhaps testament to the improved ability, both in external perception and reality, of the city to host events of a truly global proportion.

The most significant legacy of the successful Turin Winter Olympics, therefore, is much more than physical infrastructure or even immediate economic rewards, for the city has, once again, metamorphosed its international image, aspiring to a new role in a global world that responds to the challenges posed by its 21st century dynamics.

The following case studies now consider single-sport events, which pose different challenges and can offer slightly different benefits to multi-sport events. Both the FIFA World Cup and the America's Cup are discussed.

vi. Japanese Cities 2002 - FIFA World Cup

Although the official Federation of International Football Associations (FIFA) emblem of the two footballs imprinted with the map of the world depicts the Far East close to the centre where the two balls intersect, there can be no doubt that Asia is peripheral in terms of football power (Horne, 2004). The year 2002 was the first time in history that FIFA had allowed the finals of the football World Cup to be played in the football world's Asian periphery and until then, an Asian team had never reached further than the second stage of football's most prestigious tournament. Furthermore, this was the first time that the World Cup had ever been *co-hosted* between two countries, South Korea being the host-partner. There are indications that the very fact that this event was co-hosted meant that the challenge to secure financial benefits was significantly more difficult.

Since the World Cup was not limited to any one city in particular, but instead required a minimum of eight stadiums, the historic event represented an unprecedented opportunity for Japan to spread development efforts throughout the country and indeed it is at this scale that this analysis focuses. According to figures provided by FIFA, over 242 million people worldwide were actively involved in playing football in 2004 (Horne, 2004), which is roughly 1 in 24 of the world's population. The global exposure attached to the FIFA World Cup is therefore perhaps unrivalled in the context of global sporting events. In addition, however, the event offered Japan a unique opportunity to address its sometimes fragile relationship with South Korea - a relationship "deeply tainted by memories of the Japanese

annexation of the Korean peninsula in 1910 and the colonial oppression during great parts of the first half of the 20th century" (Horne, 2004).

The construction that occurred in preparation for the World Cup was staggering. Japan used 10 stadiums in all for their share of the matches. Eight of these were built from scratch and opened in the two years preceding the event. They required an investment of USD 2.9 billion (Horne, 2004) and represented the state of the art in sports-leisure multiplex architecture. The Sapporo Dome Stadium, for instance, was designed to host both football and baseball events and so the football pitch can be moved out through sliding doors to grow normally outside while the stadium is being used for baseball, or indeed a range of other functions.

The Japanese football team itself surpassed many expectations by getting through to the last 16 of the competition but analysing the overall impact of hosting the Cup itself is more complicated. There are statistics, such as those recorded by Dentsu and the Institute for Social Engineering Inc. (Table 3.23.) which report healthy economic benefits associated with the event.

Table 3.23. Economic benefits of 2002 FIFA World Cup, Japan

Description	Amount (JPY billion)
Increase in domestic consumption resulting from World Cup '02	848
- of which household consumer expenditure	705
Total amount of tournament-related consumption	1 864

Note: 2008 exchange rates: JPY 1 billion is the equivalent of just over GBP 4 million.

Baade and Matheson (2004) report that the economic impact of the Japan/Korea World Cup has not been surpassed by any other World Cup on record. The official report published by JAWOC, the Japan Organising Committee for the FIFA 2002 World Cup, stated that the surplus from the event available to JAWOC would be JPY 5.48 billion. There were certainly enough funds for them to build a new headquarters and museum in central Tokyo.

However, evidence suggests that most, if not quite all, of the World Cup stadiums in Japan have left a negative financial legacy. Both the scheduled repayment of loans and interest and maintenance costs of running the facilities after the competition had ended remain as heavy burdens on local taxpayers (Baade and Matheson, 2004). Operating the aforementioned Sapporo Dome, for instance, costs a minimum of JPY 2.6 billion (about GBP 10.5 million by the above exchange rate) per year. It is true that such

venues are used for a variety of events other than football, thereby broadening the social impact achieved by the investment, but in most cases, analysts conclude that sound management schemes that better accounted for the cost of taking on such an ambitious portfolio of new-builds in the early 2000s were seriously lacking.

It is, however, pertinent to note that in judging the success or otherwise of hosting the World Cup, the values of the society in question are, of course, of utmost relevance. The construction sector is at the heart of Japan's political economy (McCormack refers to this as Japan's *doken kokka*, or 'construction state') and so the symbolic power of the new stadiums to the Japanese should not be underestimated. To further emphasise this point, it is worth noting that Japan's public works is three times the size of that in the UK, the USA or Germany and currently employs 10% of the Japanese workforce (Baade and Matheson, 2004).

There is little documented evidence for, or analysis of, more detailed social impacts of hosting the World Cup on individual Japanese cities. It is suggested that this may indicate that the organisers' priority was not on using the event to catalyse local development or regeneration projects, but rather to raise the internal profile of different cities to other areas of the country, as well as globally, and invest heavily in iconic sports infrastructure. However, one researcher, Akiko Sakaedani, has published a paper to the effect that the World Cup served as a very useful exercise in helping the reconciliation efforts between the Japanese and the South Koreans following their most recent problems during World War II. Sakaedani (2005) argues that the World Cup gave the reconciliation process momentum by forcing many interactions and exchanges at the civil society level. Thus, it can be seen that positive social effects on an *inter*national scale are possible through the hosting of global events - events that may achieve change quicker, and to a greater depth, than politicians and diplomats might otherwise be able to.

vii. Auckland - America's Cup, 2000 - 2003

The America's Cup is the most famous and most prestigious regatta in the sport of sailing, and the oldest active trophy in international sport, predating the Modern Olympics by 45 years. The sport attracts top sailors and yacht designers because of its long history and prestige as the "Holy Grail" of yachting. Although the most salient aspect of the regatta is its yacht races, it is also a test of boat design, sail design, fundraising, and management skills. The Cup, originally offered as the Royal Yacht Squadron cup, is now named after the first yacht to win the trophy, the schooner America.

The America's Cup regatta is a challenge-driven yacht series that currently involves a best-of-nine series of match racing (a duel between two boats). Any challenger who meets the requirements specified has the right to challenge the yacht club that holds the Cup. Since 1983, Louis Vuitton has sponsored the Louis Vuitton Cup as a prize for the winner of the challenger selection series. The America's Cup is a race between the winner of the Louis Vuitton Cup and the current holder. If the challenging team wins the cup, the cup's ownership is transferred from the defender's yacht club to the winning team's yacht club.

The event is traditionally hosted by the nation whose yacht club is defending the cup, so when the Black Magic crew from New Zealand successfully challenged the United States holders and won in the 1995 America's Cup, it became New Zealand's responsibility to host the competition. After a successfully defending the cup in 2000, the Royal New Zealand Yacht Squadron secured a second opportunity to host the cup. Auckland was again chosen as the venue and the second competition series was set for 2002-03.

Johnston and Switzer (2002) report that Auckland City responded to the original honour of hosting the Cup by revitalising a run-down area of the city harbour, the Viaduct Basin. The Basin area was dredged and moorings were put in to accommodate not only a dozen or more Cup teams, but also nearly 100 super-yachts. Princes Wharf began to be revitalised; expensive apartments and a Hilton Hotel replaced exiting buildings. Numerous upscale restaurants and bars opened on the ground floor of the apartments. A café district now exists, where there had been only a few restaurants before. New business buildings, such as a "Microsoft House" have been built. In sum, huge amounts of money were spent to make the area a showpiece of the City. Large crowds of visitors came down to the Basin to watch the Cup boats depart and arrive, to attend the numerous events held, or just to be where the action was. The festivities lasted for several months due to the drawn-out nature of the Louis Vuitton Challenge.

That the New Zealanders went on to lose the cup to their Swiss challengers in 2003, the Alinghi team, was unfortunate but it did not hamper New Zealand's ability to capitalise massively on the time that they did host the high profile event. The America's Cup had a major positive economic impact not only for Auckland and but also for New Zealand as a whole, meaning that the organisers were successful in using a city-based event to boost the national economy. Table 3.24, taken from an independent report prepared by Market Economics Ltd. for the New Zealand Ministry of Tourism (2003), demonstrates just how significant an injection just the 2003 America's Cup represented in economic terms.

Table 3.24. Economic impact of the 2003 America's Cup

Description	Amount
Economic gains:	(NZD million)
Net additional spending in the New Zealand economy 2000-03	523
- of which in the marine sector	143
- of which in accommodation and hospitality	92
- of which in retail and entertainment	132
- of which in business and household services	48
- of which in transport	48
Additional value in the New Zealand economy generated by this spending	529
- of which value added specifically to Auckland economy	450
Employment:	(Full time years)
Employment generated in national economy	9 360
Employment generated in Auckland economy	8 180

Source: Market Economics Ltd., 2003.

In addition to these tangible GDP and employment effects, the America's Cup events generated greater international awareness of New Zealand - as a tourism destination and a place to do business - through extensive media exposure and helped consolidate the reputation of the New Zealand marine sector. The Cup attracted many super-yachts and other yachts to New Zealand, providing the marine sector with another opportunity to demonstrate its capabilities and enhance business relationships.

Political summits and conference events

Politics creates the structures within which lives unfold - structures that allow people to trade, enjoy culture and compete at sport. At the very highest level, of course, decisions that are taken achieve significance on a global scale. For this reason, there is always an astounding amount of media interest surrounding summits or conferences involving world leaders. Examples include the G8, the World Trade Organisation, the European Union Council of Ministers, the International Conferences on AIDS, Earth Summits and World Summits on Sustainable Development. While all might involve slightly different heads of state, discussing slightly different issues, with slightly different outcomes, all global political summits are events that attract the world's attention for the few day's that they run.

So how does this affect the city that has either volunteered or has been volunteered to host such an event? The key differentiating factor that is more relevant to political events than trade, cultural or sporting events has to

be security. Not only do world political summits involve some of the most important and powerful national leaders in the world, all converging together, at a well-known time and location, but more often than not these summits or conferences are debating some of the most divisive and emotive issues of our time. World trade, international development policies and AIDS are perfect examples of subjects regularly discussed at world summits that people feel so passionately about that protesting or, if poorly managed, rioting, can be commonplace. In order to deliver an event that is successful in its own right, the organisation and management of all aspects of security in and around the city must be excellent.

Provided this is achieved, world political summits are events that can efficiently draw most of the world's media attention onto one city at the same time, giving it unprecedented global exposure. The power of this exposure can be used to further a variety of goals, depending on the individual needs and wishes of the city authorities. For instance, efforts can be made to promote or redefine the city image. Attempts can be made to attract more visitors in the future by showcasing the attractions and entertainment on offer in the city. Or events can be organised to coincide with the summit in order to bring the urban residents together and foster more of a community spirit.

There is unlikely to be much of a physical/visible legacy involved in hosting a global political event, since the usual requirements revolve around a large conference centre and appropriate accommodation. Conference facilities might well be refurbished, perhaps installed with the latest information technology, and transport infrastructure updated if necessary, but the key benefit from hosting such an event is to do with international profile.

Do different events yield different costs and benefits? Discussion throughout the following case studies (listed in Table 3.25) shows that this is likely to be much more closely linked to the cities themselves, rather than the specific conference subject or delegation that they are hosting.

Table 3.25. Case studies: Political summits and conference events

Event	City
G7 Summit	Halifax
Latin American-Caribbean-EU Summit	Rio de Janeiro
World Summit on Sustainable Development	Johannesburg
G8 Summit	Edinburgh

Case studies

i. Halifax - G7 1995

For the 1995 Summit of the G7, Halifax in Nova Scotia, Canada, was chosen to be the host city. The city authorities were very proud to be honoured with this responsibility and demonstrated this with their commitment to deliver an event that truly led to lasting benefits for Halifax, and Canada's, population. Not only did they organise an efficient Summit but the city authorities actively sought to use the event to put Halifax on the international tourist and business map and serve as a focal point for local celebrations of culture and technology.

The local government set up an official Halifax Summit Office (HSO), demonstrating their commitment to allocating resources specifically to the event (unlike in other years when government departments had taken on the responsibility in conjunction with other duties). The HSO then published official stated objectives of the summit, again highlighting that they were actively seeking to use the event to benefit Halifax. The objectives "*during and after the Halifax Summit [were] to promote the province and Halifax as destinations for tourists and to open up business opportunities*" (Halifax Summit Office).

The HSO set itself a relatively modest budget of CAD 28 million, much less than the previous year's Naples Summit and lower than the CAD 29.3 million cost of the 1988 Toronto Summit, which did not have to host the visiting delegation from the Russian Federation. A local construction firm was awarded the contract to upgrade and refit all of the Summit conference sites, including the Maritime Museum of the Atlantic, the World Trade and Convention Centre and the Metro Centre. The HSO pledged to spend a total of 60% of its budget locally in moves like this. Most of the funding for this event was derived from federal departments although the Government of Nova Scotia contributed CAD 1 million and private sector sponsorship raised CAD 2.5 million. One of the private sponsors was Canada's oldest and only remaining independent brewery, Moosehead Breweries Limited, and became the official beer supplier of the Summit. The incentives cited by the CEO of the company reveal something of how the business community was viewing the opportunities created by the Summit: "Not only do we want to be associated with an event of this magnitude which taking place in our own backyard, but we also view this as a unique opportunity to reinforce existing relationships in international markets where we do business, as well as to potentially break ground in other new areas" (Derek Oland, CEO Moosehead Breweries Ltd.).

A study before the Summit arrived in Halifax forecasted economic impacts as seen in Table 3.26.

Table 3.26. Forecasted economic impact of 1995 G7, Halifax

Description	Amount
Nova Scotia Receipts:	(CAD million)
Visitor spending	7.3
Resulting additional household income	4.7
Tax revenues	0.6
Provincial finances:	
Infrastructure expenditure	8.4
Resulting additional household income	4.9
Employment created:	(full years)
Nova Scotia	170
Provincial	160

The theme of directing the benefits of hosting the Summit quickly and efficiently to the local communities was a fundamental explanation for the success of the event and there is no question of it being an accidental 'spill-over' effect because there is so much evidence of the HSO planning for and encouraging a local focus. Not only did the HSO release an information booklet designed to provide Canadians with an overview of the historical importance of economic summits and stimulate their interest, but it also ensured that the local Cable channel would provide two separate Summit Television Channels so that the local community could directly access all that was going on at the Summit in their city.

Yet the HSO went further to ensure the full participation and support of local communities. In a move not often taken by authorities hosting a *political* event, the organisers encouraged people to stay in Halifax and enjoy the Summit by scheduling two cultural festivals to run at the same time as the Summit: "Showcase Halifax 95" and "Summit Odyssey". Between them these two festivals involved musical acts, poetry readings, dance shows, art and craft exhibits, film previews, street fairs, environment showcases, science exhibits and international visitor and technology expositions in a variety of venues across the city. Furthermore, local artists were invited to provide work to decorate the recently redeveloped Summit venues so that the delegates, too, could enjoy the local culture. The effort to involve Halifax residents was truly impressive.

Impressive also was the extent to which the HSO used the Summit to showcase what it publicised as the Canadian approach to business, involving

a two-pronged strategy of 'greening' the Summit while at the same time implementing cutting-edge information technology. To demonstrate their commitment to environmental conscientiousness, the Halifax authorities commissioned an independent environmental review and assessment of all of their Summit sites and activities. This highlighted that schemes such as the 'G-7 Waste-Zero' programme (a pledge to divert 85% of waste from landfills) and the 'mug-up' policy that saw every Summit delegate receive a Summit coffee mug to discourage them from using non-recyclable styrofoam cups really were taking positive steps towards a 'greener' approach. In terms of information technology, the HSO put on an exhibition entitled 'SuperNova' that ran concurrently with the Summit to showcase the very best of Canadian technology. Large and small companies were able to participate and demonstrate their latest innovations while members of the public came along to learn about what Canadian businesses were offering them for their lives at home and at work. Bill van Staalduninen, Director General (Planning) of HSO was quoted at the time as saying "Canada is a world leader in knowledge-based industries and the Summit is an ideal opportunity for showcasing our technological leadership".

When the world leaders and journalists had left after the few days of the Summit, the city of Halifax was left reflecting on much more than one of the biggest meetings of some of the most powerful heads of state in the world. The city authorities had successfully made the event into much more than a group of politicians bringing an entourage of camera-crews to their city; several days of cultural and technological exhibitions had been enjoyed throughout the city and although the visible legacy in terms of infrastructural investment or urban transformation was limited, a sense of real pride and unity had been created under the glare of the world's media. Perhaps the most important legacy had been the building of partnerships between civic, environment, business and government groups and agencies in planning and implementing the environmental stewardship programme - the HSO had certainly made every effort to ensure that as many people as possible knew what was happening within the Summit walls. It is this kind of city-wide experience that brings a city's people together and renders them better equipped to take on bigger, and more fruitful hosting challenges in the future. It is perhaps no coincidence that this city, with by no means the highest profile within Canada, went on to bid strongly for the 2014 Commonwealth Games. Sadly, due to funding issues, the city had to withdraw recently but the fact remains that once a city has successfully hosted a global event once, it has the skills, experience and motivation to go on for more and more in the future.

ii. Rio de Janeiro - The Latin America-Caribbean-EU Summit 1999

Rio de Janeiro's name is famously associated with the first Earth Summit held there in 1992, when more than 100 heads of state met in Brazil's second largest city to address problems of environmental protection and socio-economic development. However, the event itself did not bring good publicity to the host city. In an effort to look suitably impressive whilst the world's attention was focused on it, the Rio authorities implemented heavy handed policies that resulted in a public relations disaster. Police swept the homeless from view, army tanks pointed big arms at the *favelas* (shantytowns) and vigilante death squads gunned down 150 street children (Current Events, 2004). Rio attracted international condemnation regarding its human rights offences. However, the violence-ridden city earned praise for safely pulling off such an enormous logistical challenge, and seven years later had the opportunity to redeem itself and revive its reputation as one of Latin America's top travel destinations.

In June 1999, the First Summit between the Heads of State and Governments of Latin America and the Caribbean and the European Union, with the participation of the Manuel Marín of Spain, then President of the European Commission, was held in the city. The historic summit was held in order to strengthen the political, economic and cultural links between the two regions in order to develop a mutually beneficial strategic partnership. Talks focussed on strengthening representative and participatory democracy and individual freedom, the rule of law, international peace and security and fostering political stability and confidence among nations (European Commission, 1999).

For Rio, it meant a chance to improve its public image by being honest about many of its inhabitants' poverty, and about the efforts being made to address such problems. Instead of hiding the homeless, the then mayor Luiz Paulo Conde decided that the 4 000 delegates and journalists who descended on Rio de Janeiro from around the world were to be given tours of its notorious *favelas*, where the city was trying to transform their slum conditions into liveable neighbourhoods.

The Rio authorities used the high-profile summit, attracting nearly 50 world leaders to show off its new "Favela-Bairro" project (translates as 'from slum to neighbourhood'), which brought basic city services like paved roads, schools and sanitation into the *favelas*. This exercise had more than just an impressive external impact; as well as raising the city's public profile, it lifted the spirits of the *cariocas* (local people from Rio) living in the *favelas*. The events of 1992 had greatly worsened relations between the poor and the authorities by further legitimising already rampant police

violence against the poor and homeless people of the city. The concerted effort made by the authorities to address this, under the focus of the world's media, went some way to improving the situation.

As well as using this new open and upfront approach to the city's problems and the attempts to combat them, the Mayor also used the event as an opportunity to undertake a major renovation of its tourist sites and waterfront. Instead of using a convention centre on the outskirts of town, Rio decided to put the summit in its long-ignored Museum of Modern Art in the heart of the city (Figure 3.22) and spent USD 10 million sprucing up its parks and the areas around its grand beachside hotels, where most delegates were lodged. Some 3 000 city workers were given the tasks of everything from changing light bulbs, scrubbing off graffiti, polishing statues to retiling the famous black and white wave patterns of Rio's sidewalks. They planted 7 000 new trees, added 13 000 potted plants and even replaced the garish orange litter cans with green ones to blend in with the freshly green parks. With another USD 3 million from the federal government, the city dressed up the somewhat dingy museum, including painting a big colourful mural on the outside wall and re-starting its long-disused fountain. Also, the well-known Copacabana and Ipanema beaches were returned to pristine condition after being fouled earlier on in 1999 by devastating storms and sewage leaks.

Figure 3.22. Museum of Modern Art, Rio de Janeiro



Source: Wikimedia Commons, © 2005.

This time around, the city resisted heavy-handed tactics to secure key sites, using visible police presence to discourage petty criminals. Security in general was more discreet with a force one third the size of that used in 1992, only 9 000 soldiers and police, and no tanks pointed at *favelas*. The violence that was prevalent in the early 1990s, that climaxed in the riots of 1993, had been decreasing anyway, and the murder rate was the lowest it had been for years.

This was all good news on many fronts. Rio's facelift attracted tourists and business interest, which brought money into the city. The renewed attitude to the city's poor, as well as the regeneration of their city, was not only well broadcast using the EU summit as a springboard, but also engaged the local people with the authorities and raised pride and employment. There is one major downside, however, in that not everyone benefits when publicity is focused on one area of a city: the residents of the poorer northern zone missed out on both the Favela-Bairro project and the summit sprucing.

Newspaper reports from July 2007 (*e.g.* timesonline, 2007), indicating that a 16-year old boy was mistakenly shot dead by police in a shootout with drug traffickers on the eve of the opening of the Pan American Games in Rio de Janeiro, are a worrying sign of how the city authorities are handling the latest event to be hosted in their city and a perfect example of the sort of adverse publicity a city can attract while it is the subject of global media attention.

iii. Johannesburg 2002 - World Summit on Sustainable Development

Johannesburg is the largest city in South Africa. Until recently, it was too well known for its major crime problem which has constrained the city since the last years of Apartheid when many companies fled the city, leaving the Central Business District (CBD) subject to disinvestment and dereliction. However, this image was challenged when Johannesburg played host in mid-2002 to the biggest ever conference in Africa, the UN-sponsored World Summit on Sustainable Development. Over 60 000 delegates, including over 100 heads of state, descended on the city for two frenetic weeks of discussions and seminars. While there was some ambivalence about the long-term impact of the conference itself, there was little doubt that it proved a huge success for Johannesburg, because, amongst other things, substantial improvements were made to infrastructure in order to comfortably accommodate and transport the delegates, and investments were made in a wide range of "sustainable" projects, in keeping with the focus of the summit.

The summit was seen as a success for Johannesburg because the organisers did not simply concentrate on the short term necessities, but ensured that there would be real long term benefits for the city. This is not to say that the city did not receive initial direct returns on its investment. Table 3.27 documents the incomings and outgoings of the event.

Table 3.27. Investment from the 2002 World Summit on Sustainable Development

Description	Amount (ZAR million)
Investment stimulated:	
Public sector investment	603.3
- of which direct investment in infrastructure improvement	318.4
Private sector investment	265.6
Returns:	
Total spent by Foreign delegates attending Summit	584.5

Source: SA Tourism, 2003.

One may therefore conclude that the net direct benefit of the Summit for South Africa in the short term was ZAR 850.1 million (South African Rand) (private investment and foreign spend).

However, the long term benefits were substantial too. The city's legacy from the Summit ranges widely. New businesses, large and small, were set up and jobs created, and many of these continued well after the Summit visitors departed. So have many of the visible changes, such as cleaner parks, wider roads, an improved bus service and upgraded street lighting. Entire depressed areas - like Newtown and Alexandra - were regenerated and developed. The city centre has gained a new bus and taxi terminal, as improvements that were designed for the Summit, or were sped up to meet a Summit deadline, spawned similar ventures. Johannesburg has many delightful parks and open green spaces, all of which were spruced up for the Summit. Millions of trees have been planted and dams cleared.

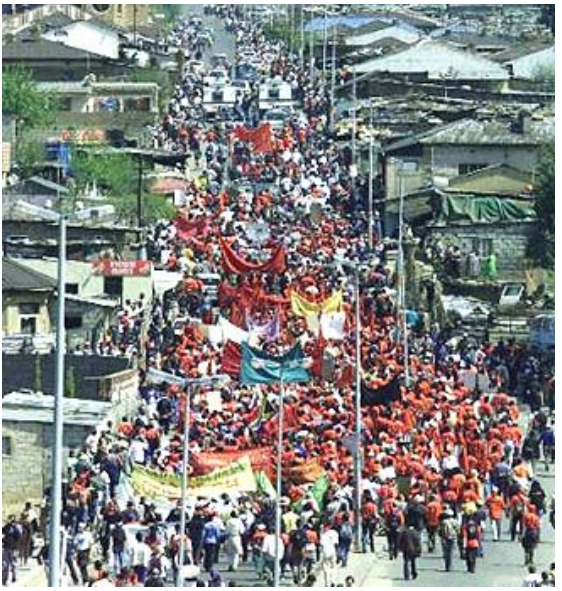
On top of these tangible benefits, the city's international profile has been raised and conceptions challenged. People were concerned that Johannesburg would not be up to hosting such a large event. For example, prior to coming to South Africa, 42.1% of the delegates indicated a concern with safety and security. These proved to be unfounded, as only 1.4% had problems with theft and crime (SA Tourism, 2003). The direct impact on tourism can be seen from comparing the like-for-like figures: foreign tourist arrivals into the country for August 2002 increased by 13.4% over the August 2001 figure. The Summit pushed the tourist arrival figure for August 2002 to the highest recorded for that month over the previous five years. But even without the Summit delegates, tourist arrivals for that month increased

by 7.1%, in a market that saw 11.1% more visitors arriving in South Africa in 2002 (SA Tourism, 2003).

Other benefits arose from the fact that organisers took to heart the theme of the summit, and launched a "Green the WSSD" campaign. This was the first time a global event had explicitly aimed to be a leading example of sustainable development in action. They aimed to reduce the environmental impact of the Summit on the city through a combination of measures, including directly involving the local communities through education programmes, so that the people likely to benefit from the scheme would understand what was been talked about at the Summit.

The Summit organisers, Jowsco, were ambitious in their plans, but were thought to have succeeded in general. There were reported communication problems between Jowsco and other involved agencies, but given this was the first event of its kind to be held in the country, this is unsurprising. There were also concerns that the general public did not have enough access to the Summit itself. However, the event did attract significant demonstrations and protests due to the conspicuous absence of the United States President, George Bush, who boycotted the Summit. A last minute visit by Secretary of State, Colin Powell, was designed to calm matters, but the protests continued (Figure 3.23).

Figure 3.23. Political protests during the 2002 World Summit on Sustainable Development



Source: South Africa IMC.

It could be argued, therefore, that while hosting an event of global political significance can attract large amounts of private and foreign investment, it does carry with it the risk of politically-motivated social disruption, which can challenge the branding efforts of the host city in question.

iv. Edinburgh - G8 Summit, 2005

In July 2005, one of the most highly anticipated meetings of the leaders of the world's richest and most powerful countries was held in a luxury hotel and golf resort outside Scotland's capital. The world's attention was focused on the city and Gleneagles in an unprecedented way due to the high profile international pressure on the G8 leaders to 'Make Poverty History' and address climate change.

As well as the official Summit at Gleneagles, the city also played host to hundreds of thousands of protestors throughout the weekend before the Summit. Anti-poverty campaigner, Bob Geldof, famously said he wanted 1 million people to march through Edinburgh. The actual figures were somewhat less than this, though still substantial - in the region of 250 000 people joined the "long walk to justice". There were many concerns about how the city would cope with the task of hosting such a complicated event on many fronts. Many were concerned about the cost, and whether there would be any pay off to Scotland. Furthermore, Edinburgh's citizens and the G8 delegates alike were concerned about security. Environmentalists worried about the green cost of holding such an event. Each of these concerns was addressed head on, and the city fared well under the enormous pressures associated with such a high profile political event.

The total cost of hosting the event was GBP 90.9 million (SQW Consulting, 2005), much more than the cost of previous year's summit in the US of GBP 21 million. However, much of this extra cost was due to the increased security costs that were necessary in the face of such high levels of protestors in attendance. Over 10 000 police officers, members of the security services and even snipers had to be drafted in to manage the event. The Foreign and Commonwealth Office pledged GBP 10 million and the Chancellor Gordon Brown GBP 20 million towards policing costs. Scotland's First Minister Jack McConnell was adamant that in advertising terms, the worldwide impact of the event would be worth 10 times the cost of staging the summit, claiming the potential benefits to Scotland of way over GBP 500 million and that the costs incurred were entirely justified.

One of the potential avenues of benefit was tourism. It is too soon to make any substantial conclusions regarding whether the summit attracted

visitors to the city in the longer term. The tourism figures dropped by 8.4% from July 2004 compared with the same month in 2005 (BBC News, 2005), a drop thought to have cost exhibitions and attractions more than GBP 100 000 (Bradley, 2005). However, this was predictable enough. People are not going to holiday in a city being taken over by protestors. The reduction can also be partly attributed to the London bombings of July 2005, coinciding with the second day of the Summit. August's figures were much better and the reduction seems to have been an isolated event, as it was a good year for tourism overall.

Apart from tourism, there were other areas that the event impacted on in an economic context. Another was the effect that the event had on Scottish businesses. In the lead up to the summit, the opportunities for local businesses to be directly involved in organising the summit were well advertised. Everything from production companies to broadcasters and IT service provided were needed, and many Scottish companies tendered and were awarded contracts.

Longer term economic benefits to the local area and Scotland arose from the Summit's impact in raising the profile of the country internationally among international media and business, as successfully organising such a large scale event, under enormous security pressures, shows the world that Scotland is an outstanding destination for business tourism. Plans were drawn up on how to capitalise on the global focus on Scotland. An independent review commissioned by the Scottish Executive concluded that the economic value of this global exposure was very significant (details in Table 3.28).

Table 3.28. Economic value of G8 Summit, Edinburgh 2005

Description	Amount (GBP million)
Cost:	
Direct net cost to the Scottish Executive	60
Returns:	
Spending directly associated with the G8 Summit	65
Value of worldwide media coverage at time of Summit	66 plus
Value of longer-term pattern of coverage	618

Source: SQW Ltd., 2005.

Another positive benefit from the event arose from the UK's decision to put rhetoric into action and try to offset all carbon dioxide emissions from all the G8-associated meeting during its presidency. The offsetting covers the emissions generated through air travel, local transport and accommodation at meetings. The total cost of offsetting all of the G8 events

was around GBP 50 000, which the Government invested in small-scale Clean Development Mechanism projects, with strong sustainable development benefits located in Africa. The Government also sought to minimise the environmental impact associated with the G8 Summit in the fields of transport, procurement and governance, as well as sourcing as many products as possible from Fairtrade suppliers. The PR emphasis on this action undoubtedly contributed to the city image that was receiving such exposure as it was.

There were, however, definite negative social impacts within the city. As is often the case, some of the protestors became violent and some damage to the city was caused (Figure 3.24). However, such effects were very short term, and ironically may have benefited the city due to the publicly applauded response of the policemen.

The Leader of the City of Edinburgh Council, Cllr Donald Anderson, was quick to say in a statement in July 2005 that "the police response…was magnificent. Police Officers from all over the UK worked together to minimise problems caused by a dedicated hardcore of demonstrators who came to Edinburgh intent on causing violence and disruption." Anderson later put on record his recognition and appreciation for the understanding and patience of the business community who, he said, had experienced "devastating" effects, seeing business fall by as much as 90% at the time of the Summit.

Figure 3.24. Anti-globalisation protesters at the G8 summit, Edinburgh



Source: Wikimedia Commons, © 2005 Sam Fentress.

The challenges that accompany hosting a political event of global significance are arguably unique in the context of the many other types of event discussed in this paper and some can be financially and socially painful, in the short-term at least. However, as the Minister for Finance and Public Service Reform, Tom McCabe, said at the time, hosting such an event provides an "opportunity to promote Scotland across the globe" in a much quicker, and maybe simpler, way than hosting a longer cultural or sporting event. McCabe summarised this well in the following statement:

"[Successfully hosting the G8 Summit] provides an excellent platform for us to secure further benefits for Scotland from tourism and enables us to strengthen our position on the international stage."

Notes

1. *A note on terminology*: in EU texts, the "European Cities of Culture" changed to the "European Capitals of Culture" with the Culture 2000 programme.

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Chapter 4.
Comparative Analysis:
Do Different Types of Global Events
Yield Distinctive Benefits?

This book covers four main types of global event, defined as:

1. 'Trade fairs & exhibitions' (*e.g.* Expos, World Petroleum Congress).
2. 'Cultural events' (*e.g.* EU Capitals of Culture, Eurovision).
3. 'Sports events' (*e.g.* Olympics, World Cup, Commonwealth Games, America's Cup).
4. 'Political summits & conferences' (*e.g.* G8, Earth Summit, Sustainable Development).

As has been seen, the nature and requirements of these types of events vary quite considerably. The scale of new infrastructure required to host a major sporting competition, in terms of appropriate sporting venues, for instance, does not compare to that required to host a 3-day political conference. Inevitably, therefore, different types of event will place a greater or lesser emphasis on different benefits available to the host city. This being said, many of the more indirect benefits associated with hosting a global event, such as image and identity impacts, events strategy or collaborative governance, can be secured from all types of event.

Precise quantitative analysis of the comparative benefits yielded by different types of event is neither particularly practical nor desirable given patchy data sources, variable techniques and the context-specific nature of much of this data in the first place. Fundamental to the premise of the discussion so far has been, after all, the fact that different events strategies are appropriate for different cities, in varying circumstances, seeking their own development goals. To say, therefore, that for every pound, dollar or euro invested in infrastructure for one type of event, the expected value yield is 'x' and then compare this with another type of event in another city

would, frankly, be misleading. However, some qualitative analysis is possible and reveals some important broad distinctions that can be made between the events categories presented.

Trade fairs and exhibition events by their very nature are intended to attract people and commercial interests and this is something that can be actively exploited by a host city. On the one hand, healthy sponsorship accounts can be developed to relieve much of the financial burden of running the event from the city authorities, possibly stimulating future business connections as well. On the other hand, trade events represent an ideal setting to promote a city image or country brand. For events structured around a single industry, as is increasingly common now as industry stakeholders strive to excel against global competitors, acting as the host provides an opportunity to assert the position of the country within that industry, an act which can have unparalleled economic ramifications. These events, however, are unlikely to result in significant infrastructural investment since they are, in comparison to broader trade events like Expos, much smaller in scale (both spatial and temporal). Conference facilities might well receive some attention, but it is unlikely that significant urban development will be achieved. For city authorities serious about using a trade event to catalyse urban transformation, a more ambitious, larger event like the Expo can, if well managed *beyond* the event itself, provide the basis for lasting regeneration that touches *people* as well as the fabric of the city.

Cultural events of course stimulate large investment in cultural, urban and transport infrastructure. New builds are often iconic in their design and serve as a powerful visible legacy. Provided that the cultural events are broad enough in scope, there is a strong potential for a wide visitor base to be attracted to the city. However, it is only the events that are more serious in terms of duration (such as the EU Capital of Culture) that lend themselves well to direct integration of urban regeneration and development plans - events such as Eurovision, while bringing the benefits already outlined, simply do not last long enough to truly justify spending on longer term development plan. This being said, cultural events do have the benefit of giving city authorities freedom to interpret any aims they stipulate themselves, thus allowing cities to use the hosting of the event for wider urban projects they see as relevant. What cultural events gain in flexibility, though, some might say there is potential that they lose in firm direction. Sporting events have very specific and clear requirements, which the host city can build from, whereas cultural events tend to leave more to the imagination and desires of the organisers. Provided the management capabilities of the organisers are up to this challenge and a rigorous business approach employed, substantial rewards may be secured for the host city. But there is a risk that the approach does not adhere well enough to a

business model and hence loses sight of its long-term goals. Failure to deliver in this respect can leave something of a sour legacy amongst the urban residents.

Sporting events will almost always trigger investment in sporting infrastructure, and quite possibly the transport infrastructure to connect these venues to the rest of the city. However, cultural and urban infrastructure is not directly necessitated and so may be neglected, which might prove costly for a cityscape in need of such forms of investment. If the event is a single-sport competition (*e.g.* Grand Prix, America's Cup, Tennis Grand Slam), the visitor base is likely to vary significantly depending on what sport is being played. Stratifications may take the form of gender, socio-economic status and age and this might have important ramifications for business impacts. Multi-sport events (such as the Olympics or Commonwealth Games) attract a much broader visitor base and are more likely to attract non-sporting crowds keen to enjoy the atmosphere of a large multi-sport competition. Foreign visitors are likely to attend either type of competition if the event is high-profile enough by global sporting standards. The visible legacy of sporting events is most likely to be in the form of the sporting venues refurbished or built for the competition. In the case of multi-sport competitions, however, there is greater potential for more significant urban development schemes to have been actively integrated into the event plans. The key challenge for hosts of sports events seems to be using an event that comes with a very precise list of infrastructural needs as a catalyst for much broader participation by visitors and much wider urban development projects. This differentiates between sporting events that are successful for the sport and sporting events that are successful for the host city as well.

Political events, such as international summits or conferences, arguably have the benefit of relative simplicity in that they tend to last no more than a week and, more often, only a few days. In organisational terms, there is simply less ground to cover in this sense. Furthermore, there is not always the necessity for investment in new infrastructure to be made if a city and its region is already well equipped to temporarily absorb the influx of delegates and journalists. This is not to say, however, that hosting such an event cannot be problematic or beneficial. Political events of global importance bring with them security and organisational concerns of an incomparable level in the context of trade, sporting or cultural events. Hosting a political event is never as simple as just managing the event itself - more often than not, protests must be managed simultaneously, as well as hordes of journalists and the security of leading heads of state maintained. Nevertheless, the media exposure generated by such an event can be significant. Television, radio and the printed press from around the world will all lead with stories from a key political summit in a manner unknown

to other types of event. On the one hand, this has potential to raise the international profile of the city (or country) in a way that could not be achieved in only a few days at the whim of the city authorities alone, attracting business and tourist interest alike. On the other hand, however, it does carry with it the risk that harmful stories based in the city are likely to be equally as well publicised around the world. A successfully managed political event can be a very efficient way of promoting a city, and indeed used as a means of accelerating existing development plans, but it does of course carry with it some serious responsibilities and hazards.

What is of greatest importance for stakeholders is that the different potential benefits for different types of events are well understood in plenty of time before money and time is committed to making a bid for a particular event; different sorts of event will suit the development needs and wishes of individual cities to different degrees. Hand-in-hand with variable benefits, of course, is a set of variable costs, challenges and risks. It is of equal importance that these are appreciated so that cities do not, as has happened in the past, have a negative experience, for any number of reasons, of hosting a global event. Above all, it is imperative that a city decides exactly what it wants to achieve in terms of development before deciding to bid for an event; if the event cannot justify the urban transformations intended, it is not the right event for the city to host.

Three tables are now presented as a visual representation of the above qualitative analysis. In Table 4.1, all categories of event are rated as having one of four levels of impact according to particular impact diagnostics: no impact (-), minor impact (✓), medium impact (✓✓) or major impact (✓✓✓).

Key points to note from Table 4.1 are that:

- Visitor economy and city image are affected by all events to some degree, but at the other extreme, cultural and sporting infrastructure are only affect by a certain few events.
- In general, what are termed ‘bigger’ events have greater impact than their ‘smaller’ counterparts, but not always.
- ‘Smaller’ trade events can have a more significant direct impact on business interest, whereas the impact of ‘bigger’ events is more diffuse.
- Not all of the events carry the same cost implications or risk factors, thereby affecting the relative importance of their impact diagnostics.

Table 4.2 shows how these benefits develop over the timeframe involved in hosting a global event. The numbers refer to the impact diagnostics in the key to the bottom right:

Table 4.1. The benefits of hosting different types of events

Impact Diagnostic / Event Category	Visitor economy	Transport Infr.	Urban Infr.	Cultural Infr.	Sporting Infr.	Visible Legacy	City Image	Business Interest
Trade – bigger[a]	✓✓✓	✓	✓	✓	-	✓✓	✓✓✓	✓✓
Trade – smaller[b]	✓	-	-	-	-	-	✓✓✓	✓✓✓
Culture – bigger[c]	✓✓✓	✓✓	✓✓	✓✓✓	-	✓✓	✓✓	✓
Culture – smaller[d]	✓	-	-	✓	-	-	✓✓	✓
Sports – bigger[e]	✓✓✓	✓✓✓	✓✓	✓	✓✓✓	✓✓✓	✓✓✓	✓
Sports – smaller[f]	✓✓✓	✓✓	✓	✓	✓✓	✓✓	✓✓	✓
Political – bigger[g]	✓✓	✓	✓	-	-	-	✓✓	✓✓
Political - smaller[h]	✓	✓	✓	-	-	-	✓	✓

[a] e.g. World's Fair
[b] e.g. World Petroleum Congress
[c] e.g. European Capital of Culture
[d] e.g. Eurovision
[e] e.g. Olympics; Commonwealth Games
[f] e.g. World Cup; America's Cup
[g] e.g. G8
[h] e.g. World Summit on Sustainable Development

Table 4.2. The timing of benefits by event

Timing / Event Category	Deciding to bid	Bidding	Winning	Preparing	Hosting	Host + 1 yr	Host + 5 yrs	Host + 10 yrs
Trade – bigger[a]	❽	❻ ❽	❻ ❼ ❽	❷ ❸ ❼ ❽	❶ ❷ ❸ ❻ ❼ ❽	❶ ❷ ❸ ❺ ❻ ❼ ❽	❶ ❷ ❸ ❺ ❻ ❼ ❽	❷ ❸ ❻ ❼ ❽
Trade – smaller[b]	❽	❻ ❼ ❽	❻ ❼ ❽	❼ ❽	❶ ❻ ❼ ❽	❻ ❼ ❽	❼ ❽	❼ ❽
Culture – bigger[c]	❽	❻ ❽	❻ ❼ ❽	❷ ❸ ❼ ❽	❶ ❷ ❸ ❻ ❼ ❽	❶ ❷ ❸ ❺ ❻ ❼ ❽	❶ ❷ ❸ ❺ ❻ ❼ ❽	❷ ❸ ❺ ❻ ❽
Culture – smaller[d]	❽	❻ ❽	❻ ❽	❽	❶ ❻ ❼ ❽	❶ ❻ ❽	❽	❽
Sports – bigger[e]	❽	❻ ❽	❻ ❼ ❽	❷ ❸ ❹ ❼ ❽	❶ ❷ ❸ ❹ ❻ ❼ ❽	❶ ❷ ❸ ❹ ❺ ❻ ❼ ❽	❶ ❷ ❸ ❹ ❺ ❻ ❼ ❽	❷ ❸ ❹ ❺ ❻ ❽
Sports – smaller[f]	❽	❻ ❽	❻ ❼ ❽	❷ ❸ ❹ ❼ ❽	❶ ❷ ❸ ❹ ❻ ❼ ❽	❶ ❷ ❸ ❹ ❺ ❻ ❼ ❽	❷ ❸ ❺ ❹ ❻ ❼ ❽	❷ ❸ ❹ ❺ ❽
Political – bigger[g]	❽	❻ ❽	❻ ❽	❷ ❽	❶ ❷ ❻ ❼ ❽	❶ ❷ ❻ ❼ ❽	❷ ❻ ❼ ❽	❷ ❼ ❽
Political - smaller[h]	❽	❻ ❽	❻ ❽	❷ ❽	❶ ❷ ❻ ❼ ❽	❷ ❻ ❼ ❽	❷ ❼ ❽	❷ ❽

[a] e.g. World's Fair
[b] e.g. World Petroleum Congress
[c] e.g. European Capital of Culture
[d] e.g. Eurovision
[e] e.g. Olympics; Commonwealth Games
[f] e.g. World Cup; America's Cup
[g] e.g. G8
[h] e.g. World Summit on Sustainable Development

❶ Visitor economy
❷ Transport & urban infr.
❸ Cultural infr.
❹ Sporting infr.
❺ Visible legacy
❻ City image
❼ Business interest
❽ Managerial & events strategy dev't

Key points to note from Table 4.2 are that:

- Managerial and events strategy development benefits are present at all times, for all events.
- More benefits do accrue as around the 'peak' phases of hosting the event, but there are plenty of benefits, before and after, to be considered.
- City image is a key benefit that can be affected from an early stage.
- Infrastructure is assumed to last for at least 10 years after the event - this of course relies on appropriate levels of investment being made in the preparation stage.
- Visitors are unlikely to arrive in many numbers before the event, although in some cases new facilities do attract people as they are opened and before the event itself takes place.

Finally, Table 4.3 presents an analysis of the different geographical scales at which the various benefits of hosting different types of event may be experienced. This is important in strategically assessing how, geographically, hosting an event will impact a city or even a country.

Scales range from localised areas within the city (most probably at the event location itself), to a city-wide scale whereby the whole city experiences some level of the benefits and finally to a 'beyond city' scale. At this largest scale, benefits are experienced anywhere from the city's own regional hinterland right up to the national scale. Differentiating more precisely at this scale was considered undesirable seeing as a complex array of factors, often specific to the exact event, would contribute to determining the most accurate scalar definition. It should be noted that these scales are 'cumulative' in the sense that classifying an impact at the 'beyond city' scale implies that the impacts are most certainly also present at the 'city-wide' scale and so on.

Key points to note from Table 4.3 are that:

- A single event will have different benefits that are experienced at very different geographical scales.
- The type of event does, however, affect the scale at which any particular type of benefit is experienced - the benefits for transport infrastructure, for instance, are more widely dispersed for sporting and cultural events than trade and political events.
- Benefits that are experienced beyond the city are more likely to be 'invisibles' such as image, business interest and visitor economy.

Table 4.3. The geographical scale at which benefits of hosting different types of events are experienced

Impact Diagnostic / Event Category	Visitor economy	Transport Infr.	Urban Infr.	Cultural Infr.	Sporting Infr.	Visible Legacy	Image	Business Interest
Trade – bigger[a]	●	●	●	•	-	•	●	●
Trade – smaller[b]	•	-	-	-	-	-	●	●
Culture – bigger[c]	●	●	●	●	-	•	•	•
Culture – smaller[d]	•	-	-	•	-	-	•	•
Sports – bigger[e]	●	●	●	●	●	•	●	•
Sports – smaller[f]	●	●	●	•	●	•	●	•
Political – bigger[g]	•	•	•	-	-	-	•	•
Political – smaller[h]	•	•	•	-	-	-	•	•

[a] e.g. World's Fair
[b] e.g. World Petroleum Congress
[c] e.g. European Capital of Culture
[d] e.g. Eurovision
[e] e.g. Olympics; Commonwealth Games
[f] e.g. World Cup; America's Cup
[g] e.g. G8
[h] e.g. World Summit on Sustainable Development

Localised within city •
City-wide ●
Beyond city ●

- Sports events tend to have more consistently widely dispersed benefits.
- Political events are, in general, events that produce the least widely dispersed benefits of the four types of event discussed.
- It does not necessarily follow that in order to achieve 'beyond city' benefits, the event must be of the bigger variety - smaller trade and sport events, for instance, can result in benefits experienced beyond the city.

Chapter 5.
Making a Habit of It:
Hosting More than One Event?

Whilst hosting one event is expensive, holding two is not necessarily doubly costly, and can yield much higher benefits. For instance, if new venues need to be built and can be used for both events, the initial costs can be shared. The theory behind such a plan is elegant and sensible, but it is technically very difficult to implement such a strategy. In this chapter, the cost-cutting approach will be examined and the possibilities and difficulties will be explored. If this strategy cannot be put into practice, there are many other ways in which two or more events in close succession can be advantageous. These benefits can be demonstrated with reference to the experience of cities that have been ambitious enough to host multiple events.

What goes into the first event?

The changes and developments that need to take place for a city to host a successful event require a large direct investment. These include those developments discussed in previous chapters, such as changes to the city's infrastructure, the increased availability of high quality accommodation, restaurant and other such facilities, and the construction of, or improvements to, appropriate venues. Depending on the event, the nature of the venues can vary wildly. Other investments are standard regardless of the type of the event, although the need will vary according to the size of the event. The city's infrastructure needs to be able to cope with the often vast number of visitors and participants. It also must meet the needs of the visitors by providing a suitably high standard of accommodation options. Further to this, local restaurants and so forth have to be able to attract trade from the discerning visitor. Given the media coverage, the event can act as an advert for the city, attracting visits from those watching at home, and return trips from visitors to the event. In order for this to result, the city needs to ensure that it looks good. A facelift is necessary. This will cost a lot less than some

of the other requisite investments, but can have a long-lasting return. Some of these investments will involve direct expenditure by the organisational committee. Others may be undertaken individually by local businesses looking to cash in on the event.

As made clear from the case studies above, global events are logistically and strategically complex. Efficient execution of the developments requires skills with which local businesses and government may not be experienced. The event provides a rare opportunity for both the public and private sector to face a steep learning curve whilst developing the skills for successfully handling large projects. This is a fantastically commercially viable experience, and which is validated through further practice in working on other events.

So how can hosting two or more events benefit the city?

Regarding costs, theoretically the simplest answer is that the large infrastructure investment costs can be shared between the two events. In practice, this is difficult to implement. Most fundamentally, the sharing of the cost of construction of venues can only occur if there are shared venues. This may not be the case if one event is a sporting event, and the other a political and cultural one. Another important factor is the fact that a city can never be guaranteed to win a bid for an event, thus it cannot invest lots of money into one event assuming that it will get double the return on its investment.

It may also be beneficial for a city to host more than one event in close succession if it is looking for a useful and effective way of re-branding the city. Hosting one event can raise a city's profile and challenge people's previous perceptions of it; hosting two can create a new brand of the city that replaces its old image. Turin provides a good example of this. In hosting two major winter sporting events, it is laying to waste its old image as an industrial city, and establishing itself as a modern city of culture and sport. Vancouver is also using two high profile events, the 2006 World Urban Forum and the 2010 Winter Games, to consolidate and publicise the city's commitment to green issues, and establish itself as a world leader in sustainability practices. Johannesburg's numerous international events have contributed to changing the public perception of the city from a crime-ridden backwards symbol of the worst of the Apartheid, to a modern, growing, vibrant and tolerant tourist destination. These re-branding exercises have substantial pay-offs in several ways. The most direct resulting benefit is the creation of a "visitor's economy" as tourists are attracted to the host city.

How does already having hosted one event affect the bidding process for the second?

Having already hosted one event can work either in favour or against the city's bid. It will work in its favour because the committee can look, depending on the timing, at the city's preparations or execution of the first event so as to make an informed decision about its capability to be trusted with such a great honour and responsibility. On the other hand, there may be strong competition from other cities which the committee feels may benefit more from being chosen as a host city. Thus a city can never rely on a second event coming along in good enough time to pay off the large initial first investment. However, careful planning, especially of which events to bid for and when, can allow this strategy to be implemented to some degree.

Turin is again a good example of this. They successfully won the bid for the 2006 Winter Olympics, which takes place well in advance, and began the necessary building work. This stood them in a good position to bid for the smaller but still significant Winter Universiade, which they successfully won, and are hosting in 2007 at little extra cost.

Looking at the bidding process from the city's perspective, having successfully hosted a previous event can improve the city's actual bid. It will have increased the city's confidence in its ability to hold such an event, and it will provide concrete examples of the necessary skills in action. The city's businesses would have learned from their previous experience, and have developed their expertise in tendering for and executing complicated and large projects. The importance of this improved confidence and skill-base cannot be underestimated. The businesses involved with the project will benefit from having the event on their portfolio, which brings further investment into the area.

Further, if the first event is successful, the host city's and country's people and government will be more willing to host a second. This is not necessarily always the case; Brisbane found the support it got from the Australian government in response to its 1988 Expo somewhat lacking, despite the city's success in hosting the 1982 Commonwealth Games. This shows the need for strong leadership and sensible determination within the authorities in charge of the event in order to push through with the planned bid.

But how can cities actually proceed given the uncertainty of securing a second event?

Even if this first-best explicit cost-sharing strategy is not viable, there is a second-best solution. It may not be sensible for a city to throw money at the first event due to lack of capital or uncertainty surrounding the probability of being awarded another event. However, they can carefully outline the infrastructure and facility expansions that they would like to undertake, and use the investment for the first event to accelerate the initial most urgent, projects. If they are able to secure a second major event, they can use the associated large funds to continue with the expansions. This is the best case scenario; worst case scenario is that they are not awarded the second event, and find it hard to justify the large investments needed to continue with the developments at the same speed. But at least they will have the plans and the ideas, and moreover the skills and the ambition. Johannesburg has been lucky in securing several important global events over the past 10 years since the country was democratised. It has used each event to make further improvements to the city's infrastructure, which benefits the city's people and economic growth, and also their chances of winning further bids for similar events.

To further exemplify this discussion, a few short case studies are presented below.

Turin - Winter Olympics 2006 and Winter Universiade 2007

Turin was once synonymous with Italy's motor industry. But it is has undergone a radical transformation in order to host first the Winter Olympics in 2006, and in 2007, the Winter Universiade, the international multi-sport event for university athletes. The Olympics cost an estimated USD 3.2 billion to hold. But the changes that are resulting from this massive investment are a highly visible representation of the city's move from a centre of manufacturing to a service economy. Significant infrastructural changes are underway, including the movement underground of some of the railway lines in order to improve the city's aesthetics at the same time as gaining functional space above ground. High speed train links to other European cities are being introduced.

An impending global event provides an important non-negotiable deadline for such improvements to a city's infrastructure and facilities, and a justification for the high level of investment that this development requires. It is also lends weight to the pragmatism of a city's bid for a similar event. This is the case with Turin; their bid for the Winter Universiade was well-respected because there was no chance of any delays in construction or

improvements to venues and infrastructure, as they would be completed a year early. Thus the city is in a very good position to hold the Universiade event at little extra cost, and this clearly impressed the event's organisers, the International University Sports Federation (FISU). The second event, together with other planned events such as the 2005 World Fencing Championship and the World Convention for Architects in 2008, allows the city to consolidate its movement away from its industrial past, and towards a service-based industry. This is epitomised by the city's first five-star hotels that have been recently opened in refurbished buildings near the symbol of the city's industrial past - Lingotto, the former Fiat factory.

Vancouver - June 2006 World Urban Forum and 2010 Winter Games

In June 2006, on the 30th anniversary of HABITAT I, Canada hosted the third UN-HABITAT World Urban Forum, again in Vancouver. The 2006 World Urban Forum was an opportunity for the world's leaders to discuss international cooperation in urban development and sustainable urbanisation, and to start the development of models that can be used to address urbanisation issues in cities around the world. For Vancouver, it was a chance to position itself as a global leader in sustainable cities by showcasing Canadian best practices and technologies, engaging citizens on key policy issues linked to Canadian and global urban sustainability, and strengthening domestic and international partnerships in the development of sustainable urban communities. This was not a simple statement of an ethical stance, but an important business opportunity. Western Economic Diversification Canada (WD) recognises that the environmental technologies sector is and will continue to play a significant role in creating economic growth in Western Canada, while helping to achieve Canada's climate change commitments. Thus WD is encouraging the development and adoption of environmental technologies in Canada and abroad (Western Economic Diversification Canada website).

The World Urban Forum set the agenda of sustainable development that the world must adopt, and a few years later, the 2010 Winter Games will provide another chance for the region's competitive edge with regards to sustainable technology and strategies to be displayed to the world. The Games are to be the first truly "green" games. The sustainable aspect was an important defining part of the city's bid which differentiated it from other competing cities, and it is taking the notion very seriously by viewing the WUF as a stepping stone to the Olympics (Owen, 2005). Whilst the first event defined and established the sustainable development agenda, the second event will be an expensive advert of how such models can work in practice, and of how Western Canada is a world leader in such practices.

Proposed environmental practices include: green buildings and community planning standards; sustainable transportation initiatives; energy efficiency and use of renewable energy; water conservation, air quality and greenhouse gas management; waste minimisation; and protection and enhancement of natural landscapes.

The city authorities hope that the two events together will increase Western Canada's economic growth through raising the profile of the city's environmental technologies sector, on top of the usual benefits that will arise from the investment into the city's infrastructure.

Brisbane - 1982 Commonwealth Games and Expo 1988

Brisbane, the capital of Queensland, Australia, won the bid for the 1982 Commonwealth Games. Brand new venues were built for the Games, and they were a remarkable success. However, when the city bid for the World Expo '88, the Queensland government had a hard time convincing the rest of the country, including the Federal Authorities, of the event's potential (Damaso de Lario, 1988). It was the determination and positive attitude of the State of Queensland authorities and Brisbane City Council that secured a repeat success for the city. Strong leadership was key, and fortunately Brisbane is, unlike most other Australian capital cities, controlled by a single governing entity. The authorities' previous achievement contributed to their ambition and ability to host such an international event, but the previous investment in the new builds for the Games did not contribute to the Expo, given the wholly different nature of the two events. The city did try and build on its experience in sporting events by bidding for the 1992 Olympics, but the bid failed. Thus the sunk costs of building the stadiums and so forth did not yield any further significant financial return after the Games were over. However, both events did yield benefits in their own right, and together they raised the profile of the city previously dismissed as an industrial, backwards city. The Expo was situated on the South Bank of the Brisbane River. For many years this area, mainly industrial, had been largely derelict. The creation of Expo, along with the recent construction of the Queensland Cultural Centre, helped to revive the area.

Johannesburg - 1995 Rugby World Cup, World Summit 2002, Football World Cup 2010

In the decade or so since South Africa first held democratic elections, the city of Johannesburg has been fighting hard to rid of itself of its poor international image, and consequently to boost the city and region's economy and social integration. The government has been pro-active in securing many global events for the country, from which Johannesburg in

particular has benefited tremendously. The first of significance was the Rugby World Cup in 1995. The main result of this was some fantastic publicity which showed the city as uniting and ignoring social divides in order to support the national team. As the Springboks progressed through the competition, perceived prejudices between black and white South Africans fell away as the nation united behind the national team. The famous image of Nelson Mandela, wearing a Springboks rugby shirt and cap, presenting the Webb Ellis trophy to South African captain, Francois Pienaar, was one that the organisers could only have dreamed of and served as one of the enduring images of mid-1990s South Africa.

The World Summit on Sustainable Development in 2002 gave the city a chance to develop the city's new professional image. Much needed developments such as improvements to the bus service and street lightings were prioritised. Local businesses were given the opportunity to develop new skills necessary for implementing such projects. South Africa has also successfully bid for the 2010 Football World Cup, which is by far the biggest event the country, or even the continent has ever held. They won the bid due to their demonstrated ability to deliver the necessary improvements and to deal with particular city-specific problems such as crime (FIFA, 2004). They are using the event to speed up infrastructural upgrades, most of which, such as airport expansions, had been planned "long before South Africa won the rights to host the World Cup" (Hlahla, 2005). They are also able to continue with the well-regarded work done towards "greening the WSSD" by ensuring that the World Cup has a "green goal". This is a highly anticipated event so the world's eyes will be watching closely to see if Johannesburg can continue its momentum of delivering world-class events.

What about cities that host the same event every year?

Up to this point, this book has focussed on global events that are hosted by a different city every time they occur. This has allowed analysis to look in particular at the bidding process in some detail, which is a key area of concern for many city authorities looking to attract new events to their city. However, it must be acknowledged that there are also all sorts of world-famous events that are hosted by the same city every year - events that are not mobile in the same way as all of the other examples so far presented. Indeed, the events in question are deeply, and inextricably, bound up in some aspects of their host city's international image so that when we think of the event, we automatically think of the city, too. Truly successful events of this nature almost create the impression that they could not 'work' in any other city. Examples include:

- Cannes Film Festival, France
- Consumer Electronics Show, USA
- Edinburgh Festival, Scotland
- La Tomatina Festival, Italy
- London Marathon, England
- Monaco Grand Prix, Monaco
- Montreal Jazz Festival, Canada
- Notting Hill Carnival, England
- Rio Carnival, Brazil
- The Oscars, USA
- Toronto Film Festival, Canada
- Venice Bienniale, Italy
- Wimbledon Tennis Championships, England
- World Economic Forum, Davos, Switzerland

It would be remiss of this study to fail to discuss these events because their power in an international context cannot be underestimated. While the fact that each of the above events occurs in the same city every year means that challenges such as new infrastructural investment and the rapid acquiring of new managerial skills are not so relevant, they are all tremendously important in raising the international profile of the city on an annual basis and drawing in visitors every single year. Thus cities have the potential to use such events as a platform for attracting other events - they already have a niche in the global events calendar and prove, year after year, that they have the ability and capacity to provide thousands of visitors with a successful and enjoyable experience. Compared to cities that do not host such perennial events, this is a real head start and an asset to be used to its fullest potential.

Toronto Film Festival

The Toronto International Film Festival (TIFF) is widely considered to be one of the top film festivals in the world. Not only is it the premiere film festival in North America, from which the Oscars race begins, but it is also the world's largest film festival open to the general public (BBC, 2005). Journalists readily compare the Festival to the Cannes Film Festival, a good indication of its global significance for the film industry.

The TIFF is a 10-day festival in early September each year, which has been running every year since its inception back in 1976. In just over a week, 300 to 400 films are screened at venues around Toronto. Inevitably, the event attracts an enormous number of film fans and the official TIFF organisation body reports that annual admissions to the Festival, from both public and industry visitors, exceeds 305 000 each year (2006 Toronto International Film Festival website). Table 5.1 shows estimated financial flows into Toronto for the 2002 Festival.

Table 5.1. Financial flows into Toronto, 2002

Description	Amount (CAD million)
Tourism	23.0
Film sales	22.2
Food and beverages	6.5
Transportation	1.6
Retail	7.8
Entertainment / recreation	1.25
Overall Total	**89**

Source: Press Release, March 18 2003.

The exposure and event-management experience gained by Toronto hosting its Film Festival is clearly significant and has undoubtedly had an effect on the mentality of the city authorities towards hosting international events. As mentioned in other sections of this paper, the City of Toronto Tourism Division took the rather unique step in 2003 of setting up its own department, Toronto International, that is specifically mandated to "identify opportunities and create alliances with bid proponents to host international and national sports, cultural, social and other events of significance to enhance Toronto's profile, stimulate the tourism sector and generate legacies for the community." (Toronto International website) This is not to say that the TIFF was directly responsible for the establishment of this department, but there is undoubtedly a link in terms of a common city-wide events strategy and internationalisation policy.

Toronto International has helped Toronto to secure itself a number of high-profile events in the past (Table 5.2).

Table 5.2. International Events in Toronto

Year	Event
2004	Ice Hockey World Cup
2006	International Dragon Boat Federation Club Crew World Championships
2006	XVI International AIDS Conference
2006	Canadian Beach Volleyball Championships
2007	FIFA U-20 World Cup

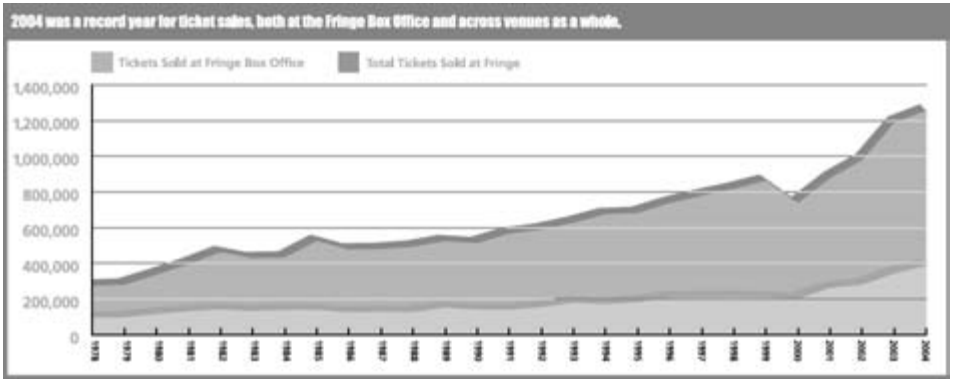
Toronto also made an (unfortunately unsuccessful) bid for the 2008 Summer Olympics, a further sign of the city's commitment and resolve to hosting more and more truly global events.

Edinburgh Festival

Although there is no single Festival called 'the Edinburgh Festival', the term is shorthand for all of the discrete festivals which take place in Edinburgh from late July to early September, of which there are an impressive number. Events include the Edinburgh International Festival, the Fringe Festival, the Edinburgh International Film Festival, the Edinburgh Jazz and Blues Festival, the Edinburgh Book Festival, the Edinburgh People's Festival and the Edinburgh Art Festival. But to the festival-goer, these distinctions make little difference, for it is the overall festival atmosphere that draws the crowds. In the summer months, Edinburgh's city centre really is characterised by the dominance of the Festivals and as a result it is a set of events that features heavily in the city authorities' experience of hosting big events.

The Fringe Festival has been going from strength to strength in recent years, attracting more and more people year after year. Figure 5.1 demonstrates just how significant as rise this has been.

Figure 5.1. Visitor numbers to the Edinburgh Festival, 1978-2004



Source: Festival Fringe Society, 2004.

Contained within the same report are various statistics to do with the impact of the Edinburgh Festival on Scotland's economy, labour market and tourist industry as seen in Table 5.3.

So there is no doubt that Edinburgh, and indeed Scotland, enjoys significant benefits from hosting the Summer Festivals, some of which began as early as 1947. In fact, it is widely acknowledge by residents that Edinburgh is a better place to live because of the Festivals. Not only is there a quality of life implication, though, for hosting such a popular and well-

known annual event raises Edinburgh's international profile significantly and shows that the city's infrastructure is well equipped to accommodating significant influxes of visitors. This would certainly have given organisers of the G8 Summit in 2005 a huge wealth of experience to draw on in managing the crowds that descended on the city for the political meeting. It also may explain why Edinburgh city authorities have started bidding for big international events like the World Cross Country Championships, which the city is set to host in 2008. In fact, the Edinburgh City Council declares in the introduction to its events strategy that, "this document has been developed in tandem with the Edinburgh Festivals Strategy." (Edinburgh City Council Events Strategy, 2002)

Table 5.3. Economic impacts of Edinburgh Festival, 2003-04

Description	Amount
Economy	(GBP million)
Expenditure generated by all Edinburgh Summer Festivals	135
- of which in Edinburgh alone	127
- of which from the Fringe Festival alone in Edinburgh	70
Employment	Jobs created
by the Summer Festivals in Scotland	2 500
by the Summer Festivals in Edinburgh	2 900
Visitors	
Number of visitors to all Summer Festivals in 2004	Over 2.5 million
Average length of stay of overnight visitors	5 nights
Media	
Value of media coverage generated by the Summer Festivals	GBP 11.6 million

Source: Festival Fringe Society, 2004.

In Edinburgh's case, hosting a big event every year really did give city authorities the confidence and motivation to adopt a more energetic internationalisation policy.

These two case studies demonstrate admirably the benefits that city authorities can derive from having existing events already running on an annual basis in their cities. The international exposure and event experience already gained can be some of the most important factors required to go on to successfully host a bigger event. Most cities throughout the world host some sort of annual event, at one scale or other, and the key lesson learned from this discussion is that these events are a good place to start to build up a bigger, more cohesive and more ambitious events strategy.

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Chapter 6.

Bidding to Host a Global Event but Not Winning?

There is no doubt that the competition from cities around the world to host major world events, be they trade-related, cultural, sporting or political, is more intense today as ever. Arguably, the competition is actually even greater in the 21st century as cities in developing countries, previously without the resources or capacity to take on the responsibility of hosting a global event, are increasingly successfully bidding for events. At the same time, some of the oldest venues around the world (London, Shanghai, Madrid) continue to energetically seek the right to host events.

Associated with bidding for a global event are both economic costs and also therefore political risks. Preparing the best bid possible inevitably incurs costs with investment in human resources, research, consultancies, marketing, policy formation and even urban infrastructure all being common expenses. Politically, there is the risk that these costs will not be seen as, or actually turn out to be, beneficial for the city or nation or that expenditure will not yield sufficient returns. Either scenario can result in electoral challenge.

In this context, cities not supremely confident in their ability to win a bid for a particular event *may* conclude that it will not be a rewarding experience for them to make a bid in the first place. It is inaccurate to conclude that bidding for an event will only yield benefits if the bid is successful. This is especially true for cities looking to progressively and rapidly develop their events and internationalisation strategy, but also holds on a number of other levels, including city planning, health and environment. This chapter looks at a few examples of city bids and tracks seven distinct benefits enjoyed by the candidate city before the decision was made about whether its bid was successful or not.

What are the benefits of bidding but not wining?

i. Bidding for a global event immediately raises the international profile of the city and puts it on the map.

The high profile nature of London's bid for the 2012 Summer Olympics, competing against such world-renowned cities as Paris, New York, London and Moscow, was enough to ensure that the sporting strengths of England's capital were reinforced in its city brand the world over, well before the decision was made to award London the Games.

During the stage when the city authorities were considering making a bid for the 2012 Olympics, there was a concern amongst the city authorities that many of London's key sporting assets, like Wimbledon, Twickenham, Wembley and Lord's, were not necessarily known the world over for being in London, although they are undoubtedly known in their own right. As such, there was a perceived need to re-brand London as a true sporting capital to highlight the city's long sporting history in the international arena.

By putting together a bid that was successful enough to compete healthily with other leading cities around the world, London's Olympic Bid Committee (along with the other candidate cities) was able to attract extensive media coverage in the time leading up to the final decision being made. The desire to raise London's profile as a leading sporting city was therefore already largely fulfilled by this international exposure. Winning the Games was of course an added bonus, but significant branding benefits had already been secured.

ii. Bidding raises your game

Bidding for a global event encourages the adoption of new benchmarks for city development, changing the rules of engagement and prompting real progress in city development. The imposition of multiple external deadlines actually helps the city to achieve disciplined and rapid progress.

Athens made an unsuccessful bid for the 1996 Summer Olympics, which was set to be the 100th anniversary of the modern Olympic Games. Although many people believed Athens had a right to host the event because of this, the International Olympic Committee (IOC) was not convinced that the city's infrastructure would be improved in time for the 1996 Games. By the time the 1996 Games had been and gone, Athens had prepared another bid, this time for the 2004 Olympics, but with improvements already having been made in the city. This was enough to convince the IOC that it was time for the Games to return to Greece, but dramatic benefits were already being experienced in Athens. Improvements were made to the notoriously poor air

quality in the city, quickly improving public health, and previously unregulated building projects, which had littered the cityscape but largely remained incomplete, were brought under control.

These moves must really be seen as the setting of new benchmarks within the city and were undertaken by the city authorities primarily in order to make their bid credible - in other words, they were entirely independent of Athens actually winning the Games for 2004. The key reason that the politicians were able to take on these deeply contentious issues on the urban political agenda was the rules of engagement were changed by the fact that they were bidding for the Games. The authorities *knew* that they had to resolve these problems before the IOC would take another Athens bid seriously and this, combined with the potential benefits of winning the Games, gave the Athenian authorities the political courage and momentum they needed to follow through their plans for reform.

iii. Bidding for a global event means that city, regional and national authorities have to work together to plan the full range of logistics.

Salzburg - Austria - bid strongly for the right to host the 2010 Winter Olympics, losing out narrowly in the IOC vote to Vancouver, Canada. The Salzburg bid follows an impressive history of having recently hosted many other world-class winter sporting events, including the Alpine Skiing World Cup in 2004, the Ice Hockey World Championships in 2005 and the Luge and the Snowboarding World Cups in 2006. Salzburg also bid for the 2006 Winter Olympics, but lost then too.

Available at www.salzburg2014.com is, however, a copy of the full 500 page bid document that the city authorities submitted. This gives an excellent indication of the full range of logistical challenges that must be tackled for a bid to be ready for proposal. The contents include:

- An interpretation of the event concepts and legacy.
- The legal requirements of hosting the event.
- Proposals for customs and immigration arrangements.
- Environmental considerations.
- Financial and budgetary projections.
- Marketing proposals.
- Detailed documentation of the suggested venues, along with development plans for each.

- Detailed documentation of improvements to accommodation sites to house the athletes.
- Assessment of the security provisions required.
- Plans for investment in upgrading aspects of the transport infrastructure.
- Consideration of how best to use Salzburg's technological infrastructure to accommodate the needs of media crews.

As can be seen, the contents of this bid, and indeed a bid for any major world event, cover a huge range of logistical problems. Going through the process of formulating the bid does involve an investment of capital, personnel and resources, but the benefits include not only a portfolio of well-researched proposals for urban development and event logistics that can be taken up in the future but also invaluable improvements in the collaborative governance and managerial capabilities required to host such an event in the future. The head-start that this can give cities in bidding again for other events is borne out by the discussion below. Furthermore, the degree of co-operation between tiers of government and between public and private partners is a mobilisation of people and institutions that should not be underestimated in terms of importance.

iv. Bidding accelerates development planning

Bidding for a global event requires that venue development plans must be drawn up in advance, setting out budget projections and long-term usage, and often that sites and land must be assembled and prepared before the final bid outcome is known.

Halifax - Nova Scotia, Canada - put together a comprehensive bid for the 2014 Commonwealth Games but, rather than being beaten by competitor candidate cities, unfortunately had to pull out in 2007 due to sponsor withdrawals. Even though the team was not able to complete their bid to the stage of competing with other cities, there are some very important lessons to be taken from the stage that they had got to with a view to appreciating the benefits that Halifax will already have earned.

As was the case with the Salzburg 2010 Winter Olympic bid, detailed plans for the modification and development of venues within the city were drawn up by the Halifax Commonwealth Games bid team. As such, budgeting for the projects, along with specifications and long-term, post-Games plans has already been done and any requirement to upgrade facilities in the future will be able to draw on this work and start work much quicker. For example, the Halifax Forum, currently a multi-use facility for

sporting events, concerts and trade shows, was to be used to host the boxing competition of the Commonwealth Games. Plans, costing approximately CAD 6.6 million, involved a new entrance and lobby, new washrooms, upper level lounges and seating area, electrical upgrading, painting, re-flooring, paving and landscaping - all proposals that would have enhanced the value of the venue in its multi-use capacity within the city. The committee intended the Forum to be "completely renovated and the spectator experience significantly enhanced, along with improved wheelchair accessibility to the entire facility" (Halifax 2014 Commonwealth Games Bid, 2007).

v. Learning from doing

Experiencing the bidding process firsthand yields vital lessons in time and project management

Drawing on experience from the Halifax 2014 Commonwealth Games bid team, there are important lessons to learn with regards to the time it takes to prepare a bid compared to the usual timeframes of the selection process. The team reported that:

> The timeframe of the domestic phase presented an extreme challenge. Fundamentally, the lead time from the domestic phase to the completion of the international phase was insufficient to both complete the exhaustive detailed planning and financial costing required by the bid process and government funding partners and mount a successful, competitive bid process, complete with an effective international relations strategy and a community and public awareness campaign. (Halifax 2014 Commonwealth Games Bid, 2007)

Similar experiences are reported by many other teams preparing bids for a number of global events - it is quite simply the case that the amount of preparation required can be daunting and key recommendation is that countries should select their national candidate city early (in their report, the Halifax team retrospectively advised at least 36 months between the internal selection of a candidate city for Canada and the completion of the international bidding stage).

This is a vital lesson for other potential candidate cities to learn from but in the case of Halifax, having already been through the process themselves, not only will they give themselves more time in the future, but they will have less work to do, having already done extensive preliminary legwork in the preparation of their 2014 bid.

vi. Defining clear goals

Formulating a bid forces candidate cities to identify their own metrics for success.

A final lesson from Halifax's Commonwealth Games experience is borne out by the 'metrics for success' that the committee found essential in managing, and assessing, the various decisions that must be made as an event bid is developed. As already noted several times in this report, having a set of fundamental aims and goals clearly set out from the beginning of the event-hosting process is a vital factor in ensuring the best possible outcome for the city. The bidding process *forces* city authorities to identify their own metrics for success and even if the bid is not successful, these metrics remain as an important focus for future development plans.

vii. Constructive criticism

Bidding for, but not winning, an event can yield constructive criticism of a city's proposals that allow / encourage it to successfully bid another time

When a bid to host a big global event is unsuccessful via whatever voting or decision system the relevant authority uses to select the winning candidate, it is common practice for a full review to be issued to the failed bid committees as to what improvements might have been made to their project. Often, this experience can be highly fruitful for candidate cities because selection committees respond well to a city that takes on board constructive criticism and returns for the next bid with an improved set of proposals, closer to the committee's suggestions. At the same time, candidate cities and countries receive healthy international exposure on the back of their bidding efforts.

By way of example, South Africa lost out narrowly to Germany in its bid to host the 2006 FIFA World Cup - what would have been the first football World Cup to be staged in Africa. At the time, the South African team placed a lot of emphasis on the public relations and diplomatic benefits on offer to FIFA of selecting an African host nation for the competition and a significant number of the committee were inclined to agree. In fact, South Africa only lost to Germany in the third round of voting and even then, only by one vote.

Taking on board the committee's suggestions for ways to improve their bid, the South African team returned to bid for the 2010 FIFA World Cup and was this time successful. This is not to say that a return-bidder will naturally enjoy the 'sympathy' of the selection committee, however, since

there are examples (such as Paris, which bid unsuccessfully for both the Summer Olympics in 2008 and 2012).

The benefits of experiencing constructive criticism are not, of course, restricted to those cities wishing only to bid again for the same event - suggestions can often be broad enough to be applicable to a different type of event altogether, particularly those relating to management techniques, funding proposals or urban infrastructure investments. Putting together any bid will therefore yield 'experience benefits' that can be applied in slightly different contexts in the future. A case in point is Toronto, where the City of Toronto Tourism Division has set up its own 'events strategy department' (Toronto International) to "proactively facilitate bidding on major events" (Toronto International website). Toronto has clearly identified the cumulative benefit of experience in this area by implementing a dedicated department that contributes to all major events bids.

xiii The catalyst starts early

Most importantly, the 'catalytic' effect on urban transformation that is derived from hosting a global event is, to a large degree, experienced from the earliest moments of bid-formation

All of the above discussion has demonstrated elements of how hosting a global event can accelerate projects of urban transformation, as discussed at length in this report. The key process at work here is forced prioritisation of urban development goals in order to achieve the most successful, pervasive and long-lasting change to urban environments. It is at the earliest stages of planning a bid for a global event that city authorities must consider which goals to prioritise and how to implement them. Even if the bid is subsequently not successful, being forced to go through the bid process will produce a much clearer set of urban development targets for city authorities to focus on. For cities that are really enthusiastic about their internal, and international, development achieving this focus is fundamental.

x. Justifying the cost of bidding with the immediate returns

City and national leaders that have sought to bid for major events have found it very helpful to understand and articulate the benefits of bidding itself. Bidding for an event involves a gamble; substantial local and national resources are invested in a process which has an uncertain outcome. However, if some of these costs can be clearly off set by immediate gains that occur, by an immediate 'bidding dividend', this reduces the nature of the gamble and makes selling the costs of bidding much more palatable, and retains local support, which is critical to winning and to maintaining a string and enthusiastic bid.

The kinds of dividends are described above. However it is essential for there to be accuracy on what they are and what additionality the bidding has brought. This requires both good planning and imagination. For example, feasibility work undertaken on sites and infrastructure for a bid should encompass alternative scenarios, thus providing useful intelligence for multiple scenarios, branding work done for a bid should really expose existing strengths and opportunities of a place, not just those that the events would bring, if won. The bidding process must be designed to serve longer term development whether or not the event is won.

How to prepare for bidding but not winning?

In order to ensure that benefits of 'bidding but not winning' are fully secured cities, nations, and others who bid, must have a plan that can be operationalised when the outcome is announced. This will appear as obvious but it is not always followed. The 'Plan B' or contingency plan is essential to realising the full benefits of having bid for, but not won, the right to stage a global event.

Having no obvious contingency or recovery plan can both erode benefits achieved during the bidding phase (for example demonstrating preparedness for what may occur) and it can unintentionally communicate over-confidence or lack of foresight about potential outcomes.

Key elements of a Plan B should be:

1. Anticipate all scenarios and be ready for each. There is a difference between losing badly and nearly winning. Coming second offers promise for the future, but coming last suggest some explanation is required. It is essential to have a contingency plan for each and every scenario, even if the plan's existence is not widely known. Cities that are favourites to win certain event often fail to do this and are not ready if they do not win.
2. An Active Media Strategy is essential. It is through the media that the conclusions on the bid and the whole venture will be made, so it is essential to inform and influence the media coverage of a failed bid with the positive stories that need to be projected.
3. Be a 'good loser'. It is essential to know what being a good loser means. It is important at least to formally and fully congratulate the winner, but it is also important to give credit to all the other bids and reflect values of recognising what others have achieved.
4. Offer a positive assessment of why the bid did not succeed and be open about any shortcomings. It is important to show a willingness to be self

critical and to learn. Do not blame others. But most important to offer a positive assessment of what was learned and how the capacity of the bidding city or national was enhanced by bidding against its own base.

5. Thank everyone for their support. This is an easy thing to forget when losing. A variety of stakeholders support a bidding process and it is essential that they are recognised and thanked.

6. Take forward relationships with sponsors. This is essential for future active engagement in wider local development processes. It is also critical that there are real outcomes for sponsors when a bid is not won. Some of this can be achieved through active follow up events and activities.

7. Define and emphasise what the benefits of bidding have been. What have we gained from the exercise? This is the core of the Plan B. To demonstrate that there were real and tangible benefits that from bidding that justified the costs of doing so, as explained above.

8. Define which projects or initiatives will be taken forwards. Be concrete and precise. Focus on both local areas/site and wider promotion of the city or region. It is important to have some lasting initiatives which will happen anyway and be a tangible and visible outcome. These should be initiatives with broad local benefits.

9. Define how resources initially allocated to event might be used instead and what the benefits will be. It is important to show the resources that would have been spent of the event are still, at least in part, available to the city or nation, and that there is an opportunity now to find ways of using the resources to secure some of the benefits that the event would have brought.

10. Set a framework for potential future bids. It is not necessary to announce immediately an intention to bid again, but it is important to demonstrates an openness to do so and a process through which to reach a decision to bid or not, for the same or another event, which is transparent.

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Chapter 7.
Leveraging Local Benefits for Global Events: Conclusions and Principles for Success

This book has largely focused on a retrospective assessment of how and hosting global events can produce local development benefits. It has focused substantial on the different kinds of benefits and the critical factors in bringing them about. It has stressed that such benefits are contingent upon good and effective management and planning.

If, as is argued here, the hosting of global events is a renewed activity in this period of growth of global economic integration, it follows that we should be interested in how global events will work in the future as much as in the past. Because global events provide a compelling reason to accelerate investment, and to implement city and regional strategies more fully and rapidly, they also offer a potential contribution to triggering regional property, infrastructure, and related markets beyond what the business cycle alone will do. There may be a countercyclical dimension to this kind of activity which will be important during a slow down.

What about the future? We have the plans and intentions of various cities that are competing to host events in the future or have secured the right to so already. In tabulated form we present their planned local development benefits focussing on tangible proposals in relation to Infrastructure, Facilities, Urban Development, Environment, and Economic Development. This does not cover all of the potential local development benefits but it does offer insights into some of the key arenas in which the cities hope to succeed.

So what are the urban development benefits sought by cities that are planning or bidding to host global events in the next eight years? These are presented in Table 7.1.

Table 7.1. Urban development benefits over the next eight years

City	Infrastructure	Facilities	Urban Development	Environment	Economic
Auckland Rugby World Cup 2011	International airport, State Highway 20, broadband network, electrical energy supplies.	New Convention Centre and Mobile Media Centre. Stadium upgrade.	Auckland Waterfront Development.		NZD 507 m contribution to GDP, of which NZD 240 m enters Auckland economy.
Beijing Summer Olympics 2008	USD 14 billion of improvements: subway, new airport term, ring roads, Broadband, fibre optic coverage.	32 venues constructed or renovated; USD 4 billion spent on six venues.	160 acre Olympic village to be converted into permanent residential area.	USD 12.2 billion environmental clean - up pre Games.	2004-08: 1.8 million jobs created; 0.8% annual growth in Chinese economy 2008: 4.4 million overseas and 150 million domestic tourists.
Berlin World Athletics 2009	-	-	-	IAAF Green Project encourages “green” activity.	GBP 3.7 million extra revenue produced by event in Birmingham.
Chicago Summer Olympics (Candidate) 2016	Enlargement of Monroe Harbour.	80 000 seat Olympic stadium.	37 acre Olympic village built on brownfield site and to be converted to mixed income housing.		USD 5-10 billion benefit to Chicago and economy; estimated creation of 81 490 jobs , 54% of which would be in service sector.
Glasgow Commonwealth Games 2014	GBP 1 billion improvements: M74 motorway, Gl Airport Rail Link, new bus corridors, bridges, rapid transport.	New GBP 50 m Scotland Indoor Arena with 12 000 capacity; new GBP 70 m velodrome.	Comprehensive regeneration of east end; new social housing, transport connections, landscaped areas and community buildings.		GBP 81 m increased revenue for Scotland from Games fortnight; GBP 26 m directly to Glasgow; GBP 30 m boost to tourism 2014-17; 10% increase in inward investment.

City	Infrastructure	Facilities	Urban Development	Environment	Economic
Incheon World City EXPO 2009	New airport railway between Gimpo Airport (Seoul) and Incheon Airport Development.	New USD 12 billion convention centre.	Several restoration projects for old downtown area.		
Kaohsiung Chinese Taipei World Games 2009	New MRT system.	TWD 52 m (New Taiwan Dollar) set aside for renovation of university sports facilities;TWD 7.8 billion multifunctional sports dome.			Improved human capital through a citywide English learning campaign, and upskilling of volunteers.
Delhi Commonwealth Games 2010	New airport terminal to be used by 90% of passengers; new runway tripling existing airport capacity; extension of Delhi metro; USD 713 power plant programme; introduction of dual pipeline system.	Two new stadia; 3 000 new hotel rooms in an airport "hospitality district"; modernisation of New Delhi train station; "clean up" of city streets.	Mass slum clearance on banks of Yamuna River (250 000 people moved to date); complete redevelopment of 47km² site for Games Village; more than 100 000 low cost homes built.		Tourism: 10 million international visitors in 2010 in particular from Australia, UK, Canada, Mauritius, Sri Lanka, South Africa; contribution of hotel sector to national economy will double from around USD 4 million to 8 million p.a. Aviation: 250 000 new jobs.
Liverpool City of Culture 2008	30 major infrastructural projects: expansion of John Lennon Airport; GBP 19 m new cruise liner terminal; Leeds-Liverpool canal.	GBP 65 m Museum of Liverpool.	GBP 3billion "Big Dig" Regeneration.		14 000 new jobs, 1.7 million extra visitors and GBP 1 bn in investment anticipated. The value of economic activity has grown from GBP 5.5bn to almost GBP 7bn between 2000 and 2004.

City	Infrastructure	Facilities	Urban Development	Environment	Economic
London Summer Olympics 2012	Extension to DLR; new "Javelin" high speed rail service; development of transport infrastructure in Olympic Park.	New velodrome, aquatics centre, hockey centre, three indoor arenas, a press and broadcast centre and new Olympic stadium.	The Olympic Park: part of a wider GBP 4 billion Stratford City Regeneration Scheme.		Up-skilling of 70 000 volunteers; 7.9 million spectators bring an estimated GBP 2.1billion extra revenue, GBP 400 m of which affects areas outside London; 8 000 jobs in construction each year up to 2010, rises to 20 000.
Shanghai EXPO 2015	USD 2.5 billion infrastructural investments: Ten new metro lines; new magnetic elevation train system to connect Hangzhou to Shanghai; USD 122 million upgrade of city water plant.		Facelift for 5 km^2 industrial site of the Expo on the Huangpu River and relocation of factories outside of city centre.	40% increase in green coverage; creation of protected greenbelt land; cleaning up of polluted waters and atmosphere.	Official prediction of USD 9 billion profit.
Sochi Winter Olympics 2014	2/3rds of budget to be spent on Infrastructural improvements: Doubling airport capacity; new "light metro" system; new offshore terminal at Sochi sea port; 30 billion Roubles upgrade of electricity supply; USD 580 m modernisation of telecoms.	11 new sporting venues including a new Olympic Stadium; 25 000 new hotel rooms; two state of the art media centres.		Conversion of public transport to hydrogen power; USD 1 m dedicated to promoting environmental awareness.	Number of tourists to double to 6 million per year by 2014.

City	Infrastructure	Facilities	Urban Development	Environment	Economic
Vancouver Winter Olympics 2010	Construction of a new "Canada Line" connecting Vancouver, the airport and the Olympic Village; CAD 600 m upgrade of the Sea- Sky highway.	Three 15 000 seat+ stadia upgraded; Construction of five new venues.	600 000 square foot Olympic Village which will become a permanent mixed-use neighbourhood after the Games.		Estimated 244 000 new jobs in Vancouver and British Columbia – 7 500 from the construction of the new Vancouver Convention Centre alone; Estimated CAD 10 billion in additional economic activity.
Zaragoza EXPO 2008		Pavilions to be converted into educational areas *e.g.* museums; biggest freshwater aquarium in Europe.	Exhibition site to be converted into the city's largest business park with offices, shops, restaurants and childcare facilities.	Aesthetic improvements to the city itself *e.g.* increasing green spaces, reclamation of river banks etc.	6 million visitors; 9 500 jobs and USD 1.2 billion in tourism revenues.

We began by observing that a new era of hosting international events is upon us. With major events being hosted in China, Russia, South Africa, India, and Brazil in the next few years, the hosting of events is, once again, a means to announce national identify and prowess in just the way it was when Athens hosted the first Olympics thousands of years ago, or when London hosted the first EXPO at Crystal Palace in 1851 (The Great Exhibition).

What shines through from the current momentum is that globalisation has provided an additional spur for the hosing of international events and that local development and sustainable development imperatives, more widely, have provided the tools to make the hosting of international events work locally. International events will project city or nation into deeper global relationships but they will also expose the quality of local life and facilities to intense scrutiny. This provides a double spur; the make the external message strong, and to make the local benefits real.

But unlike the undoubted knowledge that now exists world-wide on city promotion and regional branding, there have been very few systematic reviews of what makes an international event work locally. In the process of preparing this book we have identified many different kinds of risks and points of caution (some of which are described below) that must be considered if the international event is to be a success at the local level. However our overriding conclusions are optimistic ones.

It is clear from the various case studies presented in this book; there can be no prescriptive method for a city hosting a global event to optimise success. There are simply too many variables, including the type of event in question, the individual circumstances of the city, the specific aims and goals of the city and the time-frame over which the event occurs.

However, the reviews of evaluations and the analysis of the case studies presented here can be used to generate a set of principles that act as conclusions from the work so far, but provide a guide into how to learn and innovate further. Together these cover most of the key challenges and opportunities relevant to local authorities looking to optimise the success of a ‘generic’ global event. These are organised below in a check-list format, together with reference to the case studies in this paper, and divided into three categories: those considered key principles (Table 7.2); those considered recommended principles (Table 7.3) and those considered risks to address (Table 7.4).

Table 7.2. Key principles for optimising success

Principle	Case study
Select the right global events to bid for	
i. Identify the different timescales of potential events to host and select appropriately. The bidding and preparation process varies hugely between events like the Olympics and a political conference. Events will be more or less appropriate for a given city depending on how urgently authorities wish to host an event, how much time they need to develop the necessary infrastructure, the periodicity of the event cycle etc.	Turin
ii. Select an appropriate event according to the city space available. Some events require multiple sites within a city (*e.g.* Olympics), others require a single concentrated large area of land (*e.g.* World Expo) and others still require only a conference centre. Bidding for an event that the city will struggle to find the space to host is ill-advised and different cities will have different amounts of land available for development at different times.	Seville, Montreal
iii. Identify the opportunities/limitations related to the size of the city and focus strategic planning around these factors. Hosting global events is not limited to capital cities, or evenly strikingly large cities. Cities of any size and stature can bid certain types of event, as long as they are aware of the opportunities and limitations related to their size. Successfully hosting a global event requires plans to be drawn up with this in mind.	Salamanca Valencia
iv. Evaluate the city's current transport infrastructure and align event requirements with future ambitions for development. Different events attract different numbers of visitors requiring different degrees of city mobility. Assessing what needs to be done to enable the city to successfully accommodate these requirements is a vital step in judging the transport infrastructure investment necessitated by the event. Finding an event with requirements that are closely aligned to the city's own ambitions for development is an ideal situation.	Seville, Lisbon, Manchester
v. Assess the city's management capability and make appropriate investments in personnel, skills and infrastructure where necessary. Many cities choose to host a global event for the first time, which means they may not have the management capability already set-up to be successful. From the earliest moments of the bidding process, a full management team needs to be in place. Events in the past have encouraged secondments of experienced personnel from other city authorities or even hired event consultants.	Lisbon
Planning for the hosting of the event and securing local benefits	
vi. Adopt a business-orientated approach. Even though events may, in practice, focus on lively sports competition or cultural festivities, they must be organised around a firm business plan, including strict budgeting, projected revenue-collection and ticket sales. This enables short and long term goals and legacy ambitions to be more realistically approached.	Sydney

	Principle	Case study
vii.	**Use the event to accelerate/catalyse existing urban development plans.** Even though each event comes with its own unique set of requirements, for the event to have a successful, lasting legacy within the city itself (rather than in the international arena) it must be used to prioritise existing urban development plans over other competing demands on city finances. Events are largely unsuccessful in the long-term if they rely on 'spill-over' effects to promote urban development.	Seville, Lisbon, Rio de Janeiro, Manchester
viii.	**If new infrastructure needs to be constructed, always attempt to regenerate urban areas experiencing decline.** Locating global events in areas of the city that require development efforts anyway is a key way to secure local support and achieve the greatest relative success. Such an approach, in conjunction with Point 2 above, can effectively (and dramatically) expand the commercial base of a city from within.	Seville, Lisbon, Manchester, Jo'burg
ix.	**Innovate and be creative.** In a world full of readily-accessible images from around the world, event projects need to be striking to capture the imagination of both the local and the global community. Ambitious projects, if well managed, are often the most successful.	Montreal, Sopporo, Rio de Janeiro
x.	**Secure the support, involvement, employment and pride of local communities**. Without the local community being fully behind the event's projects, success judged at a local scale will be much more difficult to achieve.	Manchester, Thessaloniki
xi.	**Identify the intended city image resulting from the event and plan around it.** Making the intended image-goals for an event a focus at the start of the planning process has a greater chance of success than relying on 'spill-over'. Cities have also, in the past, felt the pressure on construction of infrastructure so acutely that they had no time for image/legacy-building. If this had been a component of the original construction plans, this would have been less of a problem.	Montreal, Japanese cities, Rio de Janeiro
xii.	**Plan the longer-term legacy at the same time as the event itself.** This is the central lesson, achieving a long-term legacy is not a question of planning action after the event has happened, but integrating long-term goals to plans from the beginning.	Montreal, Lisbon, Seville
xiii.	**Focus on a positive short-term financial/visitor impact to ensure sustained community support.** Local communities will probably experience disruption in the build-up to the event, through construction works, for instance, so are unlikely to respond well to an unsuccessful event turnout. This should therefore be a key focus from the outset.	Seville, Sydney
xiv.	**Create public-private investment partnerships and other co-operative arrangements**. A successful event has not yet been hosted without the co-operation of the public and the private sector.	Sydney
xv.	**Ensure sufficient action is taken to enable business preparedness for the event**. If projected numbers of visitors do come to the event being hosted, businesses need to prepare in order to take full advantage. This may involve hiring more temporary staff and renovating, or even expanding, premises. City authorities might take a lead role in encouraging such action to ensure as much of the city as possible benefits from the event.	Auckland, Manchester

Table 7.3. Recommended principles for success in capturing local benefits from global events

	Principle	Case study
i.	**Look to use a city-based event to stimulate regional development as well**. Global-scale events have ample potential to stimulate regional-scale development for their hosts. Actively spreading the benefits of the event will ensure a wider support framework.	Sydney, Auckland
ii.	**Look to affect a wider audience than those already interested**. Sports events in particular have the potential to alienate those not interested in sports, or in the particular sport in question, thus limiting the spread of enthusiasm for the event's projects through the city. In such an instance, efforts can be made to actively include other people through, for instance, a cultural festival in conjunction with the sporting event.	Sydney, Manchester
iii.	**Look to achieve lasting societal change**. Projects focusing explicitly on infrastructural legacies may not win favour with all people. Effort should be made to direct development projects towards direct social benefits to have a better chance of achieving long-lasting social legacies.	Sydney, Manchester
iv.	**Honestly evaluate and then challenge negative/weak pre-conceptions of the city image**. Openly identifying outside negative perceptions of a city's image and using the event to make specific efforts to change those perceptions can have significant and rewarding results.	Jo'burg, Edinburgh
v.	**Identify existing city image strengths/cultural heritage and look to further enhance and promote these**. Creating a successful city image will only work if it builds on existing positive perceptions rather than building them from scratch. Cities actively identifying and promoting their key cultural strengths enjoy the most success.	Auckland, Sydney, Seville
vi.	**Devote adequate time and resources to raising carefully selected private sponsorship for the event**. Private investment is vital, but so is securing appropriate sponsors for the event, since they will inevitably become part of the event/city branding. Some first-time organisers underestimate the time/resources required to raise significant sponsorship.	Manchester, Sydney
vii.	**Establish, from the start, a structure/organisation with the responsibility for implementing the longer-term legacy ambitions of the city after the event**. It takes specific effort to sustain the long-term legacy ambitions of a city hosting a global event and reap the rewards of a raised global profile in the long-run. This is best achieved through the work of a dedicated structure or organisation.	Salamanca
viii.	**Use the event to improve political/cultural/civil relationships with other cities/regions/countries**. Specific occasions for improving (often fruitful) relations can be hard to come by, especially on the scale offered by global events. Such opportunities should not be overlooked.	Japan

	Principle	Case study
ix.	**Look to minimise the environmental impact of the event and publicise efforts to do so**. Quite apart from being socially responsible, 'greening' the event being hosted can prove to be more cost-effective and certainly adds to the city branding efforts in a significantly more environmentally-conscious age.	Sydney, Jo'burg, Edinburgh
x.	**Implement an, ideally independent, monitoring and evaluation scheme so that lessons are recorded and passed on to future hosts**. Many city authorities do not have accurate or comprehensive figures that demonstrate the success of the event they have organised. Not only does this mean that future hosts cannot benefit from their lessons learned, but also that publicity of the success achieved is restricted.	Edinburgh, Sydney

Table 7.4. Risks to address in capturing local benefits from global events

	Principle	Case study
i.	**Beware of expenditure levels felt to be unjustified by local communities**. Some events have involved local communities supporting the debt from infrastructure investment for many years after the event has happened. This can generate resentment and bitterness, especially for people who did not actively benefit from the event and can therefore mar the long-term legacy of the event.	Montreal, Japanese cities
ii.	**Beware of the displacement effect of various events on local businesses, retail and tourism**. While various global events do generate new opportunities for businesses, retailers and tourist venues, there are often instances of displacement to take into consideration. This may be spatial - some areas of the city losing out to areas closer to event projects - or it may be temporal, with people who would have visited the city choosing not to in order to avoid the event crowds.	Edinburgh, Auckland, Japanese cities
iii.	**Be aware of the probable (relative) decline in interest, visitor numbers and public funding availability immediately after the event**. Hosting a global event normally attracts much higher levels of interest and public funding for a city in the years running up to, and the year of, the event. Invariably, this cannot be sustained in the years following the event, which can challenge the sustainability of longer-term legacy ambitions if not taken into account in the planning stages.	Copenhagen, Montreal
iv.	**Anticipate negative social action (*e.g.* protests) stimulated by the event and plan accordingly**. It will be relatively clear to authorities if protests or the like are likely for a given event, but they require as much planning as the hosting of the event itself. Failure to do so could lead to disproportionate media attention focussing on uncontrolled protests, rather than the event.	Jo'burg, Edinburgh
v.	**Beware of the event's legacy being susceptible to political changes in the city authorities after the event**. The longer-term legacy ambitions of some events have, in the past, been disrupted by political changes in the city authorities, with figures being elected in who are not interested in the projects or keen to sanction the funding required. If possible, event projects should remain as a-political as possible if they are to survive power-changes.	Porto

Not all cities that bid for, or succeed in, hosting Global Events will be able to follow these principles entirely. Hosting global events is a risky business that can have more costs than benefits if not managed well. The benefits also fall over a much longer time span than the event themselves; making realistic cost benefits assessments extremely difficult.

Our conclusions are that international events can play a significant role in local development and act as a catalyst for local jobs, business growth, infrastructure improvement and community development. Equally, such events do offer exceptional means to connect globally. However, the overriding conclusion is that local benefits only accrue if the event is both well run in its own terms and if it has a clear local benefit plan which is followed with skill and conviction. This is not easy to do, especially as the preparation for and hosting of the event is always a considerable task that distracts from the effort to win local benefits.

It should also be observed that hosting international events is only one means to achieve local benefits, and not the primary one. It is not the conclusion of this book that all cities and nations should host global events. It is clearly a matter of some judgement as to whether hosting an international event will help. Events are expensive and there may be better ways to use the resources. Because events tend to leverage investment from national governments and from private sponsors they can be especially attractive to cities that lack their own investment tools.

Events provide a pretext for external investment that might not otherwise exist. But this does not mean that the investment comes free or without opportunity costs. However, in the internationally open world in which we currently live, it is clear that the hosting of global events is an activity that fits with our times, offering cities and nations a means to host the world and to project an image of themselves through global media. Such events, when designed and managed with vision and discipline, can also be both successful in their own terms and yield lasting benefits for the host cities. Barcelona's great success in 1992, as described in the Preface, was all about using the mobilising energy of the Olympics to drive a wider city development plan. It was the right event, at the right time, led by the right people.

The OECD LEED Programme has much to offer to cities and nations that are contemplating the hosting of international events. This book provides start from which further insights can follow. The local development strategy that is the key component of successful event hosting is an essential focus for OECD LEED and will be the focus of wider assessments and studies. Not every city will achieve so much, and this book has shown how mistakes can be made, but if many cities achieve half what

Barcelona achieved through 1992 and beyond, there will be many more case studies to learn from in the decades to come.

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Local Development Benefits from Staging Major Events

The competition to stage major global events – such as Olympic Games, EXPOs, cultural festivals, and political summits – is more intense than ever before. Despite advances in virtual communication, large-scale gatherings of this kind have again become extraordinarily popular. In part, this can be explained by the worldwide media attention and sponsorship that such events now generate. But it is also substantially accounted for by the longer-term local benefits that can be achieved for the host location, including: improved infrastructure, increased revenues from tourism and trade, employment creation and heightened civic pride. However, such positive effects do not occur by accident, or without effective local action. Effective legacy planning and management is essential to ensure that the financial risk of investing in the event pays off, and that local development is boosted in a meaningful way.

Put simply, when international events are hosted well, they become a catalyst for local development and global reach. This book identifies how international events work as a trigger for local development and what hosting cities and nations can do to ensure that positive local development is realised. It reviews experience from more than 30 cities and nations and it looks forward to future events yet to be hosted.

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