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Keeping Score in the 2010 World Cup: How Do Sports Mega-Events Compete with Pro-Poor Development?

Jessica Riegel
jessica.riegel@gmail.com

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Abstract

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Keywords

Social Sciences, Political Science, Devesh Kapur, Kapur, Devesh

Keeping Score in the 2010 World Cup: How Do Sports Mega-Events Compete with Pro-Poor Development?

Jessica Riegel
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Political Science Department
University of Pennsylvania
Advisor: Dr. Devesh Kapur

This thesis uses the 2010 FIFA World Cup in South Africa, which was framed as a catalyst for economic growth and broader development, to consider the relationship between global sporting events and pro-poor priorities. The study is driven by three main questions. To what extent did the World Cup deliver on its expectations; are event-driven strategies compatible with pro-poor needs; and why, given a priori doubts about the effectiveness of mega-events as development instruments, do political elites and publics embrace them? I find the event piqued international interest and improved perceptions, potentially boosting tourism and foreign investment, but its other impacts were negligible and came at the expense of more critical needs and the marginalized communities it aimed to uplift. The priorities of FIFA and mega-events' assumptions about economic growth suggest mega-events are incompatible with pro-poor principles. Yet regardless of significant tolls, financial and otherwise, mega-events are embraced based on factors other than the public good, influenced by dynamics of decision-making, perceptions of personal benefit, and symbolic appeal.

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List of Acronyms and Abbreviations

ANC	African National Congress
ASGISA	Accelerated and Shared Growth Initiative for South Africa
BEE	Black Economic Empowerment
BRT	Bus Rapid Transport
COSATU	Congress of South African Trade Unions
FDI	Foreign Direct Investment
FIFA	International Federation of Association Football
GEAR	Growth, Employment and Redistribution
GEPD	Greater Ellis Park Development
HSRC	Human Sciences Research Council
IFI	International Financial Institution
IOC	International Olympic Committee
ISI	International Sports Institution
LOC	Local Organizing Committee
MTSF	Medium Term Strategic Framework
NEGP	New Economic Growth Path
NP	National Party
PDI	Previously Disadvantaged Individual
RDP	Reconstruction and Development Programme
SACP	South African Communist Party
SAFA	South African Football Association
SANROC	South African Non-Racial Olympics Committee
SASCO	South African Students Congress
SMME	Small, Medium and Micro Enterprises
TEP	Tourism Enterprise Programme
UNCTAD	United Nations Conference on Trade and Development
WTP	Willingness to Pay

1.Introduction

"The dream of a nation has come true today. Some South Africans may not have food or a job, but they now have hope. FIFA has said Africa is worthy. It is wonderful to be an African today."
— World Cup Local Organizing Committee CEO Danny Jordaan

In the years before South Africa became the first African host of the world's largest sporting and media enterprise, citizens from across its deeply divided socioeconomic landscape united around excitement to be featured in the international spotlight while rejoicing in a favorite pastime. From "simultaneous, raucous celebration of the much-anticipated announcement" to declarations it would become a "nation to be reckoned with," it seemed South Africa "would never be the same again." This pulse was captured by the 2010 FIFA World Cup slogan: "Can You Feel It? It Is Here" (Alegi 2008, 399; Republic of South Africa 2010).

What had arrived was more than a soccer tournament—it was a package of bold promises about transformation. Event architects were not shy about their ambitions. Government officials committed to staging the event in a way that would "empower those who were systematically excluded from participation in the economy under apartheid" (RSA 2010). African National Congress (ANC) President Jacob Zuma proclaimed "it is the legacy that impacts upon the lives of the poorest of the poor that is most meaningful to us" (*Bua News* 2010). The International Federation of Association Football (FIFA) reinforced this vision: "We use the power of football as a tool for social and human development...to support local communities in the areas of peace-building, health, social integration, education and more" (FIFA 2010). While some residents were skeptical about costs and benefits, there was overwhelming investment in and excitement about the event's promises.

South African aspirations fit with a broader tide of developing countries pursuing sports mega-events for a presumed ability to create economic windfalls and social benefit. While mega-

events serve many purposes, this study is interested in the World Cup, which occurred over four weeks in June and July 2010 with preparations officially starting in 2006, as an instrument for development. In addition to promising economic growth, job creation and urban renewal, organizers hoped to rectify apartheid's spatial legacies and uplift the historically disadvantaged, aligning with a recognized need to prioritize inclusive and equitable development. To what extent did the World Cup deliver on these ambitious visions? More broadly, what does this tell us about the relationship of global sporting events and developing country needs?

To address these questions, this thesis will analyze the relationship between an “event-centered development strategy,” which prioritizes profit and place-promotion, and a “pro-poor” agenda that values political and economic empowerment to reduce inequality and improve standards of living (Black 2007, 265; OECD 2006). Operating from the premise that pro-poor development is critical for South Africa, due to a history of repressive rule and resulting restraints on economic access and productivity, I examine not only whether the World Cup achieved the outcomes proponents suggested it would, but its effects on historically marginalized communities. This study is thus concerned with both outcomes and processes of development. The South African experience informs the broader issue of whether mega-events are compatible with pro-poor principles, drawing from characteristics of event owners and assumptions about events themselves. Finally, this thesis examines why, irrespective of results, political officials so vigorously pursue them and why publics for the most part embrace their promises.

1.1 Case Selection

While South Africa is classified as middle-income based on per capita income and considered a Newly Industrialized Country and Advancing Emerging Market, both of which

suggest relatively robust economic performance, for the purpose of this study it is representative of the experience of developing nations. It is considered “two nations,” with one of the world’s highest rates of inequality. Wealth and economic productivity are narrowly concentrated, while the majority of the population faces low incomes and standards of living, inadequate housing and limited education (Gelb 2004, 1).

Demographically, 79.4% of South Africans identify themselves as Black, 9.2% as White, 8.85% as Colored, and 2.6% as Asian or Indian (Statistics South Africa 2010). These categories, cemented during 20th-century apartheid rule, reflect significant social stratification; income and opportunities continue to materialize along entrenched racial lines. Since transitioning from formal racial separation to democracy in 1994, South Africa continues to struggle with its historical legacies. From affirmative action policies to social grants, much effort has been devoted to rectifying these legacies, but there is mounting frustration about the slow pace of change. Elected on the promise of redistributive transformation, the incumbent ANC has pursued fairly conservative policies to reverse decades of stagnation and appease corporate interests. While this approach achieved steady growth and decreases in absolute poverty, inequality has increased, along with pressure for job creation and basic services. Staggering unemployment and lack of infrastructure continue to constrain economic performance, along with symptoms of poverty such as high crime rates and an HIV/AIDS crisis. In response, policymakers have identified pro-poor growth and interventions that enable it as critical to improving economic productivity while reducing unemployment and poverty.

These characteristics make South Africa an instructive case for understanding the two major focuses on this study—the multiple motivations and effects of sporting mega-events, and the roles of economic empowerment and political process in shaping development outcomes.

First, South Africa exhibits the spectrum of reasons that nations compete to host mega-events, from showcasing themselves to the world to strengthening national identity. Second, given the country's established need for inclusive growth and human development, it also reflects a trend of countries embracing event-driven tourism as a means to create employment, improve infrastructure and expand life opportunities. Finally, the unique political and economic imperatives of apartheid contribute to our understanding of why political leaders and publics embrace mega-events with such vigor.

1.2 Definitions

In this thesis I employ the standard definition of a mega-event as a “major one-time or reoccurring events of limited duration, developed primarily to enhance the awareness, appeal and profitability of a tourism destination in the short and/or long term” that “rely on their success on uniqueness, status, or timely significance to create interest and attract attention” (Ritchie 1984, 2). Mega-events are typically framed and justified as a "public good," as subsidized endeavors that will create benefits for the nation as a whole (Hiller 2000, 452). Though today they are primarily discussed in economic terms, this thesis will also describe the political and social uses for which mega-events are employed.

For the 2010 World Cup, the South African government and South African Football Association (SAFA) were jointly responsible for putting together the bid and founding a Local Organizing Committee (LOC) to serve as the agent of FIFA, the event's owner and manager. The government set up extensive decision-making bodies at national, provincial and local levels to carry out requirements of hosting, from stadium facilities to legal provisions. When this thesis refers to “event organizers” it refers to these sets of actors but also includes those with interest in

the event who are not formally linked to it, such as heads of corporations who may earn public works contracts. This category, summed up as “political and economic elites,” draws from urban regime theory, which finds that coalitions in public policy include both “popularly elected officials and interest groups who want to use the institutional apparatus to pursue material gains” (Hiller 2000, 452). This is an appropriate connection because mega-events represent an extension of public policy, entailing expenditures, legislation changes and other public processes to prepare the host country or nation to meet the event requirements.

The other major category of concern to this study is the presumed target of development, a set of populations the government officially calls Previously Disadvantaged Individuals (PDI). I employ terms such as “the poor” or the “marginalized” to refer to those systematically excluded from economic and political life under apartheid and who continue to suffer its legacies. While I focus on the economic category of the poor, by virtue of apartheid’s racial policies, the majority of this population is also Black; 56% of Blacks live below the standard poverty line, compared with 2% of Whites (Gumede 2010, 15). While this link should not be oversimplified, with more Blacks joining higher income categories, given the entrenched connections among race, income and quality of life, it is fitting to utilize these terms.

This thesis is focused on the experience of so-called “developing” or “less-developed” nations, which encompass more than 80% of the world’s population (World Bank 2011). There are no established conventions for these labels, which are sometimes criticized for suggesting monotonicity or inferiority, but they will be utilized because of their wide application and common understanding. Countries with low- and middle-income levels comprise this group, though they are also characterized by their economic structures and quality of life, as well as in contrast to high-income countries with greater standards of living and specialized activities.

Finally, while the various meanings of the term “economic development” will be probed in the next section, I will note that my interpretation does not refer only to growth in per capita income, but also to deeper changes in economic function and socioeconomic landscape, including reductions in poverty, access to better education and health care, and expanded life opportunities. This is related to the concepts of “human development” and “pro-poor growth” as means for achieving economic development, which will also be explored in the literature review.

1.3 Preview of Thesis

This thesis is driven by three major questions: to what extent did the World Cup deliver on its ambitious expectations; whether mega-events are compatible with development needs; and given evidence of meager benefits and exorbitant costs, why are they such alluring endeavors? I begin by reviewing two sets of literature relevant to this study’s interest, on economic development and global sporting events. The third section presents the methodology used.

With the fourth section, I turn to the specifics of the South African context to establish how the World Cup fits with broader socioeconomic imperatives. Facing enduring structural and spatial inequalities, South Africa has embraced a pro-poor approach to growth. Among the many rationales for the 2010 World Cup, a major goal was employing it as a catalyst for broad-based development, with visions of expanding economic opportunities and dismantling apartheid's spatial legacies. The fifth section, “Going for the Goal,” describes the economic, political and social rationales for the event, focusing on the event’s uniquely developmental impulse.

Section six, “World Cup Scoreboard,” describes the effects of the World Cup, looking first at whether desired outcomes were achieved and second at how the processes of staging the event affected the broader public and particularly marginalized communities. I find that it did not

live up to expectations and moreover that it undercut processes of economic empowerment and political participation considered critical to pro-poor development. The South African experience suggests that while mega-events pique international interest and improve reputations, with the potential to benefit the economy through tourism and investment, their broader impacts are negligible and narrow. Costs, on the other hand, are significant, diverting investments in more critical needs and threatening the livelihoods of marginalized communities.

The finding that the World Cup was not an effective instrument for South Africa's development goals raises the question of mega-events' compatibility with pro-poor principles. In exploring why the event strayed so far from visions espoused in planning documents, I examine the characteristics of FIFA as the event owner and the underlying assumptions about how mega-events operate to produce growth. The seventh section, "Lost in Translation," argues that the profit motives of organizers and fundamental demands of mega-events render them incompatible with pro-poor development. Finally I explore why, despite a priori indications that mega-events impose significant tolls with negligible benefits, the World Cup was pursued by political officials and permitted by the public. In section eight, "Why Did the Show Go On?," I suggest that the dynamics of decision-making, perceptions of personal benefit and symbolic appeal contribute to significant expenditures counter to the public interest. I conclude by reviewing key findings, implications for development and mega-events, and limitations of this research.

2. Literature Review

2.1 Economic Development

Since this study frames the World Cup as an instrument for, among other goals, different types of development, this literature review will summarize major ideas related to development and methods for assessing it. I aim to provide context for why mega-events are applied to achieve various objectives and how they should be evaluated. I focus on the distinction between development outcomes and processes, which is a primary concern of this paper, and conclude by elaborating on the meanings of development and pro-poor policy as employed in this paper.

2.1.1 Development Definitions

The concept of development is pervasive, presenting itself as a “central, unquestioned value,” but is an ambiguous expression that reflects multiple and sometimes conflicting conceptions (Ferguson 1994, xiii). Economic growth is a more objective term that refers to quantitative change or expansion in a country’s economy as measured by increase in Gross Domestic Product, achieved through using more resources or using resources more productively. Development is often more subjective, a “qualitative change and restructuring in a country’s economy in connection with technological and social progress” (World Bank 2011). It achieves an increase in economic productivity and material well-being through reducing poverty and enhancing individual economic opportunities (Abler 2011; World Bank 2011). Thus development captures “a multidimensional process that normally connotes change from a less to a more desirable state” (Wehner 2000, 183).

For the purpose of this study, the terms “economic development” and “development” do not merely refer to growth in per capita income or GDP, but also deeper changes with regard to

how the economy functions and to the shape of the socioeconomic landscape. In short, development here aims to foster a healthy and inclusive economy through allocation of public resources and influence of private ones. This includes but is not limited to increased investment in disadvantaged communities, improved infrastructure, and enhanced access to factors of economic participation such as education, health care and basic services. This is related to pro-poor development, which will be described subsequently.

2.1.2 Compatibility and Conflict

While this thesis is primarily concerned with economic aspects of development, the literature identifies a number of different types. Huntington's work on compatibility assumptions and conflict theories illustrates this spectrum (1999). He establishes five major goals of development: economic growth as defined by increases in per capita GDP; equity as defined by reductions of absolute poverty and wealth inequality; democracy; political order and stability; and autonomy of the nation-state. Early development economics held that "all good things go together" in a coherent process of change, captured by the standard liberal view of modernization (Kanth 1994, 205). For example, growth would create more equitable distribution of income, which would provide the preconditions for democracy, which would reduce social conflict.

By the 1970s, experience had demonstrated the limits of this assumption and a new body of literature emphasized trade-offs. For example, while economic growth and political democracy are both considered desirable goals, in practice, bottlenecks of public participation were antithetical to swift growth, while growth often exacerbated inequality and increased social tensions. The literature finds no standard pathway or prescription for development—nations must

choose priorities and sequence them, which was the message of the next wave of scholarly focus on “reconciliation” (Huntington 1999).

2.1.3 Outcomes and Process

Beyond assessing relative importance of development goals, we can differentiate the outcomes of development from the processes that produce it. An outcome-focused approach is concerned only with the bottom line, while a process-focused approach holds that the pathway to those outcomes is a critical determinant of the quality and sustainability of development that occurs. The divergent paths of China and India are frequently invoked to illustrate the importance of how development is evaluated. China has over the last half-century achieved astounding growth rates through top-down economic planning, in contrast with India’s relative emphasis on democratic deliberations and its resulting slower rate of economic progress (Weisskopf 1974). From the outcome perspective, China is the clear winner. According to those focused on process, however, this victory is undermined by tradeoffs in freedoms and rights.

Outcome-focused development typically involves people being acted upon by higher or external agents. Such an approach, for example, finds that repressive government may be justified in late industrializing countries because strong authoritarian institutions can mobilize resources for growth; democracy is a luxury that cannot be afforded (Chen 2007, 2). However, there is increasing interest in the consequences of not providing people with a voice in or control over decisions that affect them. Sen and others advance the idea that people must enjoy the “liberty of acting as citizens who matter and whose voices count, rather than living as well-fed, well-clothed and well-entertained vassals” (Drèze and Sen 2002, 288).

2.1.4 Pro-Poor Principles

So long as economic growth produces higher growth and quality of life, why does the process matter? Advocates of “human development” premise that development is not ultimately about increasing income but “expanding people’s real choice and the substantive freedoms [that] enable them to lead lives that they value” (UNDP 2010). Thus, agency is linked to well-being. Rodrik finds that participatory regimes deliver higher-quality growth because they produce institutions better suited to local conditions (2000). As Scott argues, “many well-intentioned schemes to improve the human condition have gone so tragically awry” because they ignore tacit knowledge and informal processes (1998, 4). Moreover, top-down development is rarely aligned with the needs of the poor based on “weak incentives to get the right amount of the right thing to those who need it” (Easterly 2005, 61). According to Ferguson, since powerlessness underlies surface conditions of poverty, the larger goal must be empowerment (1994). Finally, even if a “good” result comes about, it may happen at a cost in legitimacy and trust, as society “is taught that it can vote but not choose” (Przeworski 1992, 57).

Empowerment also enables the poor to benefit from economic growth that does occur. While increases in GDP may reduce poverty levels, they may lower them only slightly and temporarily while unequal income distributions worsen. If people are not equipped to participate meaningfully in the economy, such as through education and health care, then they cannot contribute to it. Growth requires productive use of all resources, including labor; investing in human capacity can therefore create the shifts in socioeconomic structure that transform how an economy performs. Moreover, high inequality is a threat to democracy, making society more susceptible to corruption, violence and other forms of social unrest (UNDP 2010).

These principles of human development are codified in pro-poor policy, which aims for “a pace and pattern of growth that enhances the ability of poor women and men to participate in, contribute to and benefit from growth” (OECD 2006). Growth is pro-poor if it benefits the poor disproportionately, decreasing inequality as well as poverty (Zepeda 2004). The term can also operate outside of this technical definition, describing interventions that enable the poor to participate in a growing economy. Such conditions include increased access to land, labor and capital markets and investments in basic social services, social protection and infrastructure. Policymaking processes must also be open, transparent and accountable to the poor’s interests.

The development community is increasingly advocating this approach and many developing countries, the subject of this study included, are attempting it, though initiatives may not be explicitly labeled as such. Yet while pro-poor policies reflect a middle ground between economic growth and equity, a form of reconciliation, balancing them continues to be a struggle. On one hand, for growth to be rapid and sustained, it must be inclusive, while on the other, resources required for poverty eradication must be acquired through growth. As this thesis will argue, many states have turned to consumption-based development strategies as a tool for expanding their economies while providing broader benefits for the population.

2.2 Sports and Mega-Events

This section reviews the history and purposes of mega-events. I draw from the literature on mega-events themselves; on urban stadium developments, which represent the same concepts on a smaller scale; and on the characteristics of sports, which equip global games with different characteristics than other hallmark events like international fairs. I begin by describing the evolution of mega-events and then outline their contemporary political, social and economic

uses. After explaining the conventional logic of mega-events benefits, I outline criticisms of these ideas and the concerns particularly relevant to developing nations.

2.2.1 History of Sports Events

A brief overview of international competition highlights the political and social uses of mega-events, which today are ends unto themselves and also facilitate economic outcomes. The ancient sporting experience illustrates three key uses of games: creating social cohesion through shared identity, mitigating social discontent through distraction, and solidifying power through increased political support. The Ancient Greeks introduced the idea of organized sport through athletic festivals, revived centuries later as the modern Olympic Games. These rituals reinforced pride in Hellenism and bestowed popularity on event sponsors; elites surrounded themselves with successful athletes to use the “aura of prestige for their own gain” (Strenk 1979, 132).

Competition in Ancient Rome served similar purposes. Emperors sponsored chariot races and gladiatorial contests to improve their image but also to let spectators “drive his troubles away.” Such “bread and circus” entertainment served to distract the impoverished masses from their troubled conditions. Following the fall of the Western Roman Empire, organized sports entered a period of decline but did not disappear. Over the Middle Ages, the jousts used to keep cavalries in shape began to look less like war and more like sport. Like their predecessors, jousts offered prestige to organizers and diverted spectators from harsh realities (Strenk 1979, 133).

By the 19th century, a number of movements explicitly combined athletics with political agendas, showcasing yet another purpose of sport: mobilizing people around collective identities. For example, the pan-Germanic Turner Movement, which united patriotism with gymnastics, saw sport as useful for “filling the mind with a glowing enthusiasm for the fatherland and a hate

for the foe.” Workers’ movements also used sports to attain political goals; an international workers Olympics in 1920 used physical education in the fight against capitalism and militarism. While the link between sports and politics is not always so explicit, there is a clear pattern of competition’s ability to build solidarity and signal messages (Strenk 1979,135).

The transformation of traditional pastimes into modern sports occurred in the 18th and 19th centuries, with institutions molded by dominant thoughts and practices of the era: nation-state building, wide-scaled military organization, and transnational competition (Taylor 1998, 533; Wamsley 2002, 396). Modern competitive sport was thus developed in line with the logic of capitalist modernity, with symbolic implications for the global order. Sports were not truly international until the late 20th century, with participation mostly limited to North American and European nations. Games today offer a platform for small and resurgent countries to assert themselves on the world stage, but there are still informal resource constraints on full and equitable involvement (Black and van der Westhuizen 2004; Tomlinson and Young 2006).

2.2.2 Modern International Sports

The birth of the modern international sporting spectacle lies with French nobleman Baron Pierre de Coubertin, who in 1894 established what would become the International Olympic Committee (IOC). Disturbed by France’s defeat in the Franco-Prussian War, he believed emphasis on physical endurance would revive its credibility; he also saw sports as a vehicle for furthering world peace, a goal advanced by many thinkers of the day (Allison 1994, 92; Strenk 1979, 138). From this starting point developed a powerful reciprocal relationship among international sports institutions (ISI), politicians and corporate interests, described as a “sport-media-tourism complex” and “sports-media-business-alliance” (Nauright 2004; Tomlinson

2009). The two largest ISIs are the IOC and FIFA, formed in 1904 by Jules Rimet. They stage the most viewed and profitable global events, the Summer Olympics and the Football World Cup. Additional “second order” events include the Commonwealth Cup, Rugby World Cup and Cricket World Cup (Black and van der Westhuizen 2004). Since FIFA’s event is the focus of this study, I will use its economic and political characteristics to offer a sense of how ISIs function.

Economic Characteristics. Although FIFA is a nonprofit organization, it governs a global business of “shifting alliances of marketing companies, media networks, multinational corporations and opportunist technocrats” (Alegi 2008, 398). Hosting a World Cup is a right that the host country buys from FIFA, with a contract that regulates the flow of benefits associated with the tournament (DuPlessis and Maennig 2009). FIFA owns the event and provides the entertainment, while hosts provide necessary infrastructure and services. As a result, ISIs “unload the enormous financial burden of staging the competition on the host nation” (Alegi 2008, 398). Requirements range from sophisticated stadiums to legislation that protects FIFA’s rights. Hosts also commit to specific security, transportation and communication standards. While profit accrues to FIFA in excess of its commitments, host costs are not covered in the same fashion and provide compulsory guarantees that relieve FIFA of all possible risks (Davies 2009; Hendricks 2008). The host is left to ensure “the return on their investment, economically or otherwise, is sufficient to justify the outlay” (Hendricks 2008, 7).

Political Characteristics. With more member organizations than the United Nations, FIFA is a powerful arena for political maneuvering. It is built around key personalities and interest groups, which determine the conduct of bidding competitions (Cornelissen 2004). Monopoly over the sport allow the organization to “wield inordinate political and market power,” coupled by an “outmoded and autocratic internal governance structure” (Kaufmann

2010). FIFA has no term limits for members, and significant decisions are made by very small committees. In addition to being “deeply politicized and highly elitist,” ISIs have been charged as corrupt because of the high demands they place on countries to court them (Black and van der Westhuizen 2004, 1196). While FIFA is increasingly involved in local affairs of hosts, it faces little accountability; the combination of influence over domestic decisions with gentle treatment by the press has earned it the label of an “iron fist in a kid glove” (Davies 2009, 36).

While FIFA has been more willing than the IOC to award its tournament to developing nations, alternating between the soccer powerhouses of Europe and Latin America, it continues to be anchored by its traditional constituency (Baade and Matheson 2003, 3). As the game became globalized in the second half of the 20th century, northern European administrators sought to preserve their interests by blocking African attempts to procure a seat on the executive committee and organize a continental confederation. Today still, Africa’s struggle for an adequate say in the governance of world football can be viewed “as a reflection of the broader power relationship between African nations and their counterparts in Western Europe” (Darby 2003, 19). Partially in response to criticisms about geopolitical inequality, for the 2010 games FIFA instated a temporary rotational system that guaranteed an African host.

2.2.3 Social and Political Uses

From America using table tennis to open relations with China, to South American soccer feats improving the image of dictators, there is a long history of mixing sports with political and social symbols. This section will review some of the major uses, which are ends unto themselves but also contribute to economic outcomes.

Diplomacy. Athletics hold an important function in international relations and have been described as a “war without weapons” because they are useful tools in gaining prestige, sending messages and isolating nations (Strenk 1979, 140). The high profiles of today’s mega-events make them avenues for protest, such as the terrorist attack on Israeli athletes at the 1972 Munich Olympics. Yet politics are also conducted more subtly, through decisions about participation and exclusion. The losers of the two world wars, for example, were not invited to participate in the next Olympics, while the games were a tool for rebuilding damaged spirits of Antwerp in 1920 and London in 1948 (Wamsley 2002, 399). The decision to grant the 2002 World Cup for the first time to two countries, Japan and South Korea, “provoked the formation of a fragile alliance between the two East Asian states” (Horne 2004, 1236). Sometimes mega-events trace the crevices of international relations, while at other points they deliberately deviate. For example, during the Cold War the Soviet Union and United States attempted to signal superiority by winning more gold medals and boycotting the other’s Olympics, while FIFA insinuated that quality of sports should outweigh ideology by alternating between European and Central or Southern American hosts (Strenk 1979; Tomlinson and Young 2006).

Signaling. Acknowledging the potential for powerful political messaging, countries use mega-events to communicate with the international community. Like the ancient Greeks and Romans, ruling regimes today seek to demonstrate competency and attract credibility, as mega-events can “bestow quasi-Great Power status on middle-power and emerging nation-states” (Alegi 2008, 398). For instance, the Mexican post-revolutionary state used the 1968 Olympics as a metaphor for the country’s potential. Event marketing was designed to signal the country’s shift from a backwards “land of mañana” to an efficient “land of tomorrow” (Zolov 2004, 160). The 1936 Berlin Olympics were designed to show the world that the new Germany was a

“decent, friendly, peace-loving nation” (Mackenzie 2003, 303). Domestic populations also receive signals, such as the inaugural modern Olympics in Athens being used to legitimize the monarchy. Having served the causes of German Nazism, Russian communism and American capitalism, mega-events have garnered the criticism of “moral bankruptcy” (Allison 1994, 93).

Nation Building. Socially, sports provide “extraordinary capacity to generate powerfully emotional shared experiences” and “cultural resources for reflecting upon identity” (Black and van der Westhuizen 2004, 1195; Horne and Manzenreiter 2006, 1). This empowers them with identity-building mechanisms, and by extension, nation-building powers. Nationalism, which can be considered “identification with the life and aspirations of uncounted millions whom we shall never know,” contributes to political stability and social coherence (Wenner 1998, 120). Sports help drive this, magnified by live media coverage, by connecting citizens across place and time. Games “may physically occur on a field where it is a hot afternoon, but be watched by TV viewers in morning warmth and afternoon cold [and thus] transcend such time zones to bring spectators together” (Wenner 1998, 124). Sports thus constitute a “banal nationalism”—everyday forms of identity that help people construct ideologies and prepare them for the call of the nation-state (Steenveld and Strelitz 1998, 610). The scope and spectacle of mega-events magnify this power, creating a “sense of communitas” and strengthening social fabric; they provide the sense that “new energy has been injected into the communal atmosphere” (Chalip 2006,1). As a result, sports developments “symbolize the energy, vigor, and strength” of a nation “in ways eco-branding, museums, and other cultural attractions cannot” (Rein and Shields 2007, 74).

2.2.4 Economic Uses

While mega-events have traditionally been used to signal political achievements and build social cohesion, they are increasingly framed in terms of economic impacts. Economics became a central concern of mega-events following reports that Montreal declared a considerable financial loss from the 1976 Games. The 1984 Los Angeles Olympics rewrote the formula for staging global sports when it became the first profit-making event, thanks to the ascendance of corporate sponsors (Tomlinson and Young 2006). The “promise of an economic windfall” is now one of the most compelling explanations for why countries increasingly vie for mega-events (Baade and Matheson 2003, 1). This represents the “ascendency of a pro-growth ideology” that views place-promotion as necessary “to generate economic growth in a fiercely competitive global market,” based on attracting people and capital to a location (Alegi 2007, 328).

Extension of Tourism. Pursuit of mega-events may be viewed as an extension of the motivations for participation in tourism activities, with magnified costs and impacts. The goals of tourism are to bring in new financial resources via capital investment and spending power of visitors, and to encourage local governments to provide infrastructure such as roads and water provision (Atkinson 2009). Viewed as a “passport to development,” tourism is a reaction to decades of failed interventions in developing countries and changes in the structure of international capitalism that render sectors such as manufacturing less important in wealth creation (Binns and Nel 2002, 235). In response to globalization, peripheral regions are vying to make themselves more attractive destinations for jobs and capital. Since many low-income countries have struggled with competitive production activities, tourism attempts a “consumption-based” economy driven by provision of leisure and entertainment (Andranovich et

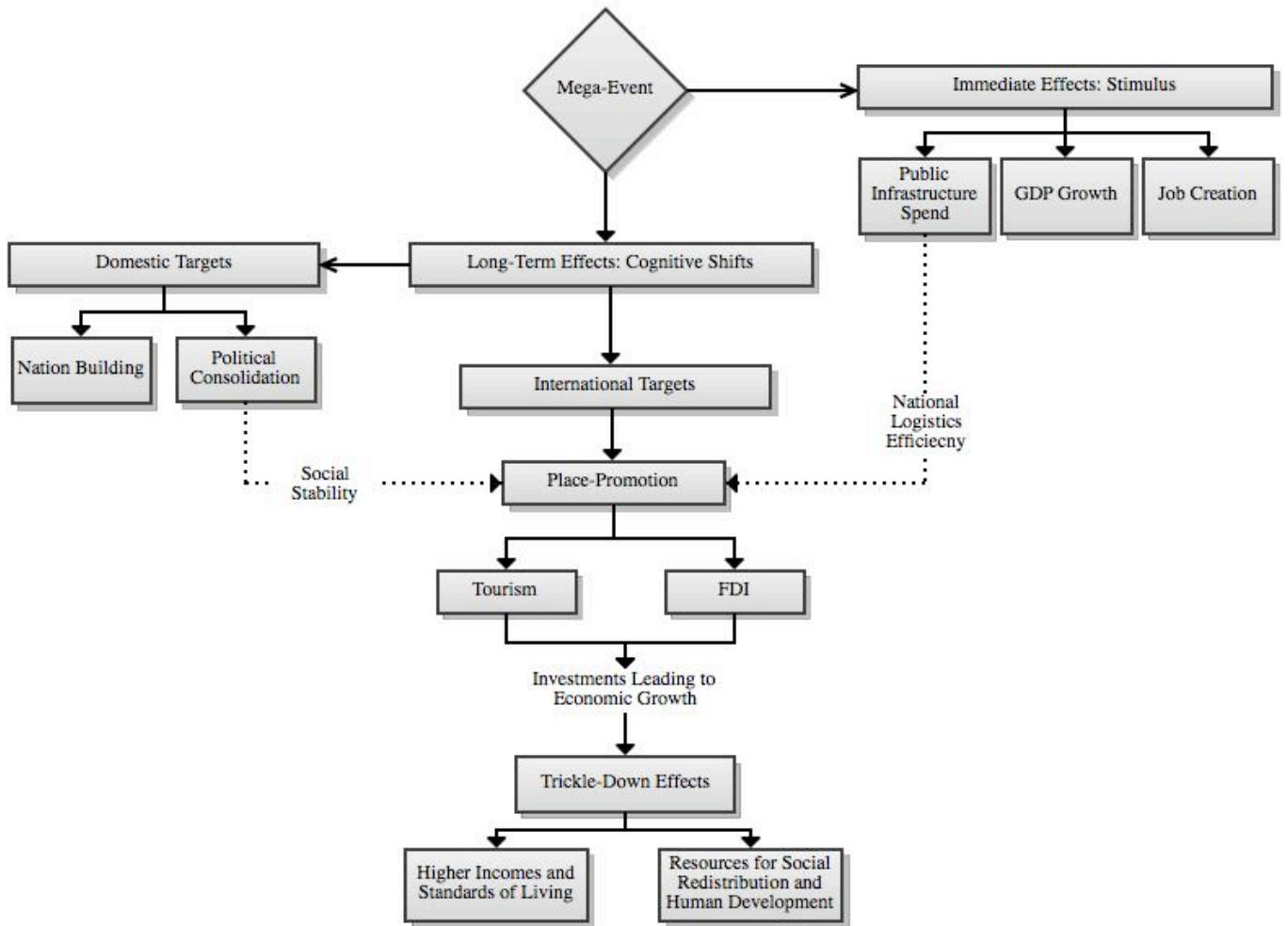
al. 2001, 115). Tourism activities also create a high proportion of employment opportunities for low-skilled workers, and particularly for poor, female and younger workers (UNCTAD 2010).

Countries in the global south believed they had a comparative advantage for tourism based on attractions such as warm weather, unique wildlife and exotic cultures. The embrace of this strategy is illustrated by the changing distribution of worldwide tourism. In 1950 the top 15 destinations hosted 88% of international arrivals, but only 57% by 2005; today developing countries account for 30% of world tourism receipts (Mashayekhi 2010). As will be discussed, however, consumption-driven development is not a panacea. Not only is tourism fragile—abruptly swayed by economic slowdowns, natural disasters, health concerns and terrorism—but its priorities may exacerbate social tensions and inequality.

Trickle-Down Growth. In addition to reflecting the strategies and advancing the goals of tourism more generally, mega-events also represent a unique approach to economic development due to focus on place-promotion created by their one-time nature and high visibility. The event itself is a down payment on future economic growth through two main avenues, tourism and foreign investment, which rely on positioning the nation as competitive and creating a focal point for mobilization of resources. Most of their anticipated legacies rely on creating cognitive shifts among international and domestic audiences with the goal of changing behavior.

It is helpful to consider three categories of effects that mega-events produce. First are immediate material effects, primarily from contributions to GDP from increased public spending on facilities and infrastructure for the event, creation of jobs to carry out preparations, and spending from tourists surrounding the tournament. In the short term, events essentially function as economic stimuli.

Figure 1. Economic Logic of Mega-Events



Second are cognitive effects triggering future material outcomes, namely enhancing international perceptions of the host country as an attractive location to visit and a secure climate for investment. These in turn lead to growth in the size of the tourism sector and increases in private sector activity and foreign direct investment (FDI), which then create job opportunities and provide resources for additional development. Third are cognitive effects influencing political and social outcomes, such as furthering nation-building projects and solidifying political consolidation; such impacts also have economic contributions, with more stable societies more appealing for tourism and investments. Thus, while event supporters typically justify costs of mega-events via the economic benefits they will produce, this logic contains a long and uncertain chain of causal assumptions.

To induce these cognitive shifts, mega-events “enhance the awareness, appeal and profitability” of a nation by promoting it as an attractive brand (Ritchie 1984, 2). Governments and economic interest groups aim to put the country “on the world stage” and project modern images that attract people and capital in a post-industrial knowledge economy (Wamsley 2002, 405; Whitson 2004). The mega-event itself also serves as an instrument to create cities in these desired images, as it mobilizes financial and political will for urban renewal and public works projects. Such conscious “showing off” took off in the 1960s when technology enabled events to be broadcast across time zones and televisions became cheap enough for a critical mass of viewers; the newly independent nations of Africa and Asia also enlarged the consumer base (Whitson 2004, 1215). In addition to showcasing a positive brand, events combat negative perceptions by promoting a “comfortable and gentrified image” (Mayihlome 2010). Thus while the social and political uses of mega-events also contribute to economic outcomes; by increasing

social cohesion and distracting from other problems, mega-events aim to ease symptoms of instability like riots and crime, which threatened reputation.

Following a “formulaic, economic-growth centered model of urban development,” once the country or city attracts additional investment, the benefits accrued to property developers, stadium operators and other initial beneficiaries will trickle down to the rest of the population; additional employment and other investment ultimately raise per capita income and fund human development (Bass and Pillay 2008, 333; Jones 2001, 856). In addition to those resulting from place-promotion, municipalities expect benefits from the construction of event facilities, namely stadiums. As the literature on sports-related urban regeneration suggests, boosters justify the construction of new stadiums for sports franchises from an economic development perspective, attracting capital back into declining city centers (Jones 2001). The same logic occurs on the national level, with tourism and FDI as the primary drivers.

2.2.5 Challenges to Conventional Wisdom

While predicted growth is often used to justify event-related costs, there is increasing consensus that their economic legacies are greatly exaggerated and their true costs unacknowledged. A growing body of literature has risen to critique the common wisdom about mega-events, particularly in light of developing countries embracing them as a strategy to “play their way to prosperity” (Baade and Matheson 2003).

Hidden Costs. The first charge is that exorbitant costs are obfuscated by pre-emptive impact studies that are based on misguided assumptions. First, they often fail to account for leakage, whereby foreign exchange generated by tourism, rather than remaining in tourism-receiving countries, is retained by tourist-generating countries or foreign firms. Most models

presume that only citizens, not migrant workers or contractors, will engage in new employment opportunities, as well as that hotels and other attractions are owned by domestic firms. Second, studies rarely factor in "opportunity costs," or services not provided when public funds are pre-empted for investment in mega-events. Finally, there are unaccounted costs related to bidding, such as advertisements of the city and entertainment for selection committees. Side effects of events such as security needs and traffic congestion add to the price tag. As a result of enormous budget overruns, countries find themselves footing much higher bills than anticipated. In the 1994 United States World Cup, for example, instead of the predicted \$4 billion gain, host cities experienced \$5.5 to \$9.3 billion of losses (Baade and Matheson 2003, 2004).

Exaggerated Benefits. There is strong incentive from government and corporate interests to exaggerate the potential impacts, as public subsidization is needed to cover expenditures and ability to secure funds depends on convincing the public the undertaking will generate significant gains. Yet studies on economic impacts consistently find that mega-events do not live up to their promises. There is no proof that hosting mega-events results in meaningful creation of employment, significant contributions to GDP, or infrastructure and services provision beyond the lifespan of the event (Baade and Matheson 2004).

While the costs of new stadiums and event facilities are justified by the jobs they will create and additional investment they will trigger, based on multiplier effects, research shows they are an ineffective means of local development. Numerous studies find there is no statistically positive correlation between sports facility construction and economic development and that development of stadiums are not significant in determining growth in real per capita income (Jones 2001; Siegfried and Zimbalist 2000). Jobs created by construction are temporary, and benefits may only continue to flow if the facility is appropriate for the community, such as

for local sports matches or concerts. Most analyses find facilities built for mega-events are severely underused, adding additional costs for maintenance over the long run without recouping outlays. South Korea, for example, had to demolish some of the ten stadiums it built for the 2002 World Cup because there was no use for them (Kunene 2009, 11).

Substitution and crowding out effects further undermine the economic impact of mega-events. During events, activity in non-tourism sectors slows down and non-event tourism, such as business travel, that otherwise would have occurred does not. For example a survey on hotel activity during the 2000 Olympics found that while Sydney as the host experienced a 49 % increase in occupancy levels, other capital cities that would otherwise attract tourists saw drastic drops in demand during the event (Baade and Matheson 2003, 10).

Uneven Impact. In addition to not delivering on the promises used to justify them, mega-events may exacerbate existing problems, with benefits distributed unevenly across geography and democracy. First, tourism efficacy in general is constrained by the availability of existing resources. A study of the Peruvian tourist industry found, for example, that the trickle-down effects were minimal in rural areas due to constraints of the location of attractions and transportation (Barrett and O'Hare 1999). Second, beneficiaries of stadium developments and broader event activities accrue to a “small band of private operators,” including construction companies and suppliers, media outlets, land development businesses, and advertising firms (Kunene 2009, 12; Whitson 2004). Those who lose out include populations hurt by rising property markets and those whose quality of life depends on well-functioning services—primarily the urban and rural poor. Diverted public resources hit hardest those populations least likely to enjoy the benefits from events. Thus consumption-based development may “exacerbate

uneven outcomes within the city [and] further entrench elites at the expense of the socially disadvantaged" (Jones 2001, 849).

Additionally, consumption-based strategies promote "tourist bubbles" that accommodate those experiencing the location rather than living it (Andranovich et al. 2001, 116). Major entertainment projects "create a hierarchy of interests in which the concerns of visitors to cities [take] precedence over those of the people who reside in the city" (Eisinger 2000, 322). The desire to promote a positive image abroad may incite government repression, such as human rights violations against political dissenters, a common charge of the 2008 Beijing Olympics. It may also result in resident displacement and community disruption, either by eviction or rising property values from new development. In the 1992 Barcelona Olympics authorities used the games as an excuse to disperse Roma communities, while prior to the 1996 Atlanta Olympics, new ordinances removed the homeless from high-profile neighborhoods. As an assessment of the Sydney Olympics described, "in the streets, low-income neighbourhoods, homeless refuges, and Indigenous communities...the staging of the Olympics served the interest of global capitalism first and foremost while exacerbating existing social problems" (Lenskyj 2002, 227).

2.2.6 Developing Context

Developing countries are increasingly earning hosting rights, with examples including the 2008 Beijing Olympics in China, 2010 Commonwealth Games in India, and 2018 and 2022 FIFA World Cups in Russia and Qatar. Behind the scenes, the experience of mega-events is very different from that of the traditional advanced industrial hosts, with higher hurdles to surmount. While the preceding section outlined issues with mega-events that affect the spectrum of hosts, a few concerns are of particular salience to lower-income nations.

Mega-events have typically been hosted in the advanced industrial world due to the costs of bidding and technical requirements (Van der Westhuizen 2007). Though ISIs are now more open to considering developing countries as hosts, they face a structurally unequal playing field. FIFA's high technical requirements do not distinguish among countries with respect to compliance, which means hosts with fewer pre-existing resources face comparatively higher costs (Alegi 2009, 398). In particular, the expenditure required to meet infrastructure specifications is likely to be much higher. For example, South Korea spent about \$2 billion on new stadiums and infrastructure upgrades for the 2002 games, while Germany, thanks to its more advanced state of infrastructure, required \$700 million to finance the entire tournament (Kunene 2007, 10).

The opportunity cost of capital may also be especially high. From an economic point of view, the cost of building facilities should be calculated not only by the amount of money needed, but value to society from the same amount spent on the "next best public project." This explains why Nigeria's government was the target of scathing criticism when it spent \$330 million, more than annual expenditures on health or education, on a new national stadium, but Japan's \$6 billion for the 2002 World Cup came under little fire. Finally, because sports and entertainment represent a luxury good, demand for new infrastructure in the aftermath of the event will likely be lower, reducing sustainability (Baade and Matheson 2003, 15).

There are a few arguments in favor of hosting events in developing countries. Relatively low wages reduce operating and infrastructure costs, while enabling operators to make greater proportional gains by charging wealthy foreign visitors high prices for lodging, meals and tickets. Widespread unemployment means there is little opportunity cost for labor applied for event preparation, avoiding situations faced by Atlanta in 1996; the city's nearly full

employment levels meant temporary demand for workers was met by importing workers, who repatriated their earnings elsewhere and reduced the multiplier effect. Additionally, mega-events spur spending on non-sports infrastructure and may prompt otherwise reluctant public officials into making needed general infrastructure improvements; however, as noted, there is no security that these infrastructure improvements will increase economic growth and may nonetheless go unused after the event (Baade and Matheson 2003, 18).

For the purpose of this study, the most relevant characteristics of mega-events are their use as a tool for signaling ascendancy and power on the world stage; facilitating social cohesion through nationalism; and creating economic benefits through place-promotion and other trickle-down strategies. A growing body of criticism finds mega-events are particularly “high-risk strategy in which benefits [are] exaggerated and costs and risks obfuscated,” especially for low-income countries who face an unlevel playing field in bidding for and executing events (Black and van der Westhuizen 2004, 1196). In spite of this, their dark side is rarely revealed and they continue to be enthusiastically pursued, a puzzle that will be explored through this thesis.

3. Methodology

In determining methodology, my goal was to offer a more comprehensive understanding of global games than conventional economic assessments provide by analyzing both outcomes and processes. I first examine what outcomes event-driven strategies produce with regard to economic growth and broader development. As a benchmark I use the stated goals of the 2010 World Cup as well as the broader imperatives of South African society, which together provide a set of ex ante ambitions to compare with indicators of ex post realities.

It is important to note that most presumed benefits do not result from the tournament itself but the long-term legacies it creates. To assess whether the World Cup succeeded, I combine the goals outlined by event organizers and mega-event literature into target categories and then develop indicators of the desired changes occurring. Some are straightforward, such as comparing estimates for GDP growth and job creation against their actual numbers.

When outcomes are triggered by cognitive shifts, results are not as simple to capture. In these cases, I look at proxies that suggest the occurrence of these shifts in the short term, making it likely the outcome would appear in the future. To gauge whether the event achieved its goals of raising tourism and foreign investment, for example, we can look at achievement of place-promotion as an interim step; indicators include reputation rankings and media coverage. For progress in nation building, we can look at measures of social stability such as reduced crime rates. These are merely predictions, as there is no guarantee cognitive shifts will translate into tangible outcomes.

Second, I look at how the event affected the processes of development itself, namely economic and political participation, comparing the experience of South Africans with the principles elaborated in national policy and literature on pro-poor growth. I primarily use

qualitative sources depicting personal and community experiences, since development as a process is concerned with individual empowerment and opportunities.

I do not intend to critique the event based on criteria it did not intend to achieve. On the contrary, officials made development an explicit theme of the bid, framing it as an opportunity to catalyze development while uplifting the historically disadvantaged. While it may be argued that this was merely political rhetoric to elicit support, given the enormous emphasis placed on this message and its use as a justification for expenditures, it is appropriate to judge the event in this light. Moreover, this is a legitimate focus because there is consensus that South Africa must make pro-poor goals a national priority. The bid's emphasis on remedying apartheid's spatial legacies and economic binds is accompanied by two decades of policy and discourse, situating it as an extension of broader goals.

It may be also argued that, following the trickle-down logic of mega-events, the World Cup never intended to create an immediate difference in the lives of poor South Africans. However, this is a narrow view that ignores the uncertainty of mega-event outcomes and the developmental importance of empowering, not imposing on, citizens. Even if developmental ambitions were only to be realized in the long run, we cannot ignore short-term effects. Moreover, the marginalized communities of concern are not necessarily affected by macro-level economic changes. If desired outcomes occur, given the large number of South Africans detached from the formal economy, they may not reach the highest-need populations. For these reasons, an assessment of the World Cup's effects on development processes is a critical complement to discussion of outcomes.

4. South African Context

“The second and larger nation of South Africa is black and poor, with the worst affected being women in the rural areas, the black rural population in general and the disabled. This nation lives under conditions of a grossly underdeveloped economic, physical, educational, communication and other infrastructure. It has virtually no possibility to exercise what in reality amounts to a theoretical right to equal opportunity.” —Former ANC President Thabo Mbeki

“We need to ensure that the fruits of growth are shared in such a way that poverty comes as close as possible to being eliminated, and that the severe inequalities that still plague our country are further reduced.”—Accelerated and Shared Growth Initiative for South Africa

It is necessary to view South Africa’s sport-media-tourism complex against the backdrop of its past, whose far-reaching legacy motivates the desire to stage events and shapes how they are encountered. This section first provides an overview of South African history that explains unequal roots of development and challenges bequeathed by apartheid’s end. Then I explore how policymakers have balanced pressure for growth and redistribution, with a focus on pro-poor development as a priority. I also discuss the symbolic associations of soccer, which adds context to the World Cup’s experience. This background serves to establish the thesis’s operational premises about South Africa’s recognized need for inclusive and empowering growth and set the foundation for understanding why officials viewed the World Cup as a useful endeavor.

4.1 Roots of Inequality

South Africa’s history is one of deep-seeded inequality and intergroup conflict. Its conquest began in the 1650s with the establishment of a Dutch shipping outpost, followed by two centuries of gradual expansion into the interior by the Dutch and ultimately the British. The discovery of diamond and gold deposits in the 1860s and 1880s hastened the demand for political control over the land and exploitation of the native populations as unskilled labor. As settlers struggled over the profitable region, they initiated a system of forced labor for Africans

while restricting their economic and political freedoms. By the 20th century, Britain had asserted imperial control over contemporary South Africa, culminating in the defeat of the Dutch-descended Boer republics in 1902 (Gelb 2004, 18).

The peace agreement inscribed racial discrimination into the blueprint of the new Union of South Africa, established under British rule in 1910. As early as 1894, settlers had restricted African land ownership to unwanted reserve areas. The Native Land Act of 1913 designated 13% of the Union for African populations, giving rise to the Bantustan system of migrant labor reserves to meet demands of the white industrial areas. The 1923 Urban Areas Act allowed municipalities to designate their territory Whites-only, while the Group Areas Act of 1950 required strict racial zoning codes. African urbanization was further restricted through pass laws that restricted free movement (Burger P. 2007, 1; Calpin 2010, 10).

For the White minority, repression of Africans provided the mining sector with labor while reducing the threat of resistance to the ruling regime. For Blacks, it strangled material and human development while setting the foundation for future challenges like an HIV/AIDS crisis resulting from the migrant system. From 1917 to 1980, the distribution of per capita income changed little, with Whites earning 10 times as much as Africans, and about five times more than those defined as Colored and Indian (Duckitt and Mputhing 1998, 810). With deep roots, these concentrations of power and privilege would endure after the end of formal discrimination.

After the Second World War, South Africa's competitive profile was threatened by a changing global economy and revolutionary impulses sweeping the colonial world. In response, the minority formalized repression to protect its interests. The pivotal election of 1948 ended British rule and brought into power the Afrikaner-led National Party (NP), the architects of the

era of apartheid, or formal and systematic separateness. White privilege continued to crystallize while the racial inequality gap swelled (Duckitt and Mputhing 1998; Iheduru 2004).

Despite initial opposition from some liberal whites and occasional pressure from exiled militaristic organizations, the apartheid system strengthened throughout the 1960s and 1970s, reflected by massacre of protesters and subsequent banning of resistance movements, including the ANC, which would later lead the state into democratic rule. Apartheid's first major test was the Soweto uprising of 1976, which focused global attention on the brutal regime (Duckitt and Mputhing 1998, 810). Over time, international pressure and boycotts contributed to the system's demise; political resistance on its own, however, did not achieve democracy.

It was enduring economic crisis, fueled by stagnant growth and aggravated by sanctions, that ultimately necessitated the end of apartheid (Price 1991). Protectionist policies to benefit the NP's Afrikaner constituency distributed resources inefficiently, and by the 1970s the manufacturing sector was plagued by import dependence and low productivity. Discriminatory education led to an unskilled workforce, while the absence of Black economic participation stifled consumer demand. Lack of international competitiveness was exacerbated by global recession, as well as wage strikes and uprisings that produced capital flight (Gelb 2004, 18).

As it became clear the decline in economic growth was structural rather than temporary, the state introduced limited political and economic liberalization for urban Africans to raise domestic demand and labor productivity. By the late 1980s, government and business leaders recognized that economic growth required ending racial authoritarianism (Gelb 2004, 18). The ban on political organizations was lifted and negotiations toward a new constitution began.

The ANC was the overwhelming victor in the 1994 elections, instating Nelson Mandela as the first democratic president. The current government is composed of a tripartite alliance,

with ANC supported by the Congress of South African Trade Unions (COSATU) and the South African Communist Party (SACP). While South Africa is a multiparty democracy, in practice the ANC faces no competition, earning 66% of votes in 2009 (World Bank 2011).

4.2 Apartheid's Legacies

The demise of apartheid bequeathed “a mammoth task of reconstruction and development in the context of economic growth that had stagnated for about a decade” (Wehner 2000, 183). Its legacies include extreme spatial concentration of production and income in metropolitan areas and lack of skilled personnel due to discriminatory education policies (Wohlmuth 1996). As a result, despite gains in economic growth since democratization, South Africa is among the most unequal societies in the world, with a Gini coefficient of .6. Conceived of as “two nations,” South Africa’s income and interracial inequality characterize distribution of virtually all resources, from land to skills (Gelb 2004, 1; Duckitt and Mputing 1998).

An important dimension of South Africa’s inequality is its enormous informal sector, composed of street traders, hawkers and market vendors who represent the “poorest of our rural and urban poor” (Devey et al. 2006, 1). With about 27% of the domestic labor force, it is the largest component of the national economy but structurally disconnected from the primary and global ones; it contributes little to GDP and is “incapable of self generated growth and development” (Devey et al. 2006, 1; Wyatt 2010). Inequality is also a cause and effect of staggering unemployment rates, around 30% including those not actively seeking jobs; even the most narrow definition puts a quarter of the population without regular income (“No Jobs” 2010). Through constraining individual opportunities, inequality constrains economic performance, with insufficient education, health and services excluding a significant portion of

the population from a skills-and-capital intensive global economy.

Though much progress in economic management had been made since democratization, post-apartheid policies have been unable to resolve these legacies. It has been noted that South Africa's social protection mechanisms appear at the scale of comparable countries such as Brazil and India, which have seem to have reduced poverty and inequality more effectively (Gumede 2010, 19). Moreover, compared to emerging economies with similar levels of per capita wealth in the 1990s such as Brazil and Turkey, South Africa has seen slower growth rates (UBS 2010, 10). This suggests that a major difference is the fundamental apartheid structure.

4.3 Economic Balancing Act

South Africa's roster of challenges—accelerating growth while also sharing its benefits more broadly, extending opportunities, and improving delivery of public services—creates a “tension between pro-growth and pro-poor agendas” (Bass and Pillay 2008, 339; World Bank 2011). The major economic frameworks since democratization narrate how policymakers have approached this tension. Although the ANC was elected on the promise of sweeping transformation through redistribution, elites have adopted a conservative approach that has fostered relatively robust growth and an aggregate decline in poverty but increased inequality and backlash. The pendulum is now swinging to pro-poor development, considered key to overcoming constraints on economic growth and increasing standards of living.

4.3.1 Redistribution and Growth

The 1994 ANC manifesto, the Reconstruction and Development Programme (RDP), envisioned a drastic expansion of education and training, overhaul of health services and social

welfare, and creation of affirmative action policies to redistribute resources. Reflecting ANC campaign pledges of “Jobs, Jobs, Jobs” and “A Better Life for All,” RDP prioritized meeting basic needs, followed by development of human resources (Johnson 2009). Its ambitious goals, such as the provision of one million homes and universal health care, relied on significant public sector spending. The ANC struggled to balance its social-democratic ambitions of state-led transformation with securing the resources for these investments and ensuring the confidence of powerful private capital that owned much of the country’s wealth.

By 1996, funds were transitioned to a new strategy of Growth, Employment and Redistribution (GEAR), viewed as a triumph of neoliberal policy that stressed a “competitive outward-oriented economy” (Wehner 2000, 185). In contrast with the RDP’s goal of redistribution and basic needs, GEAR sought first to achieve high levels of growth; as Finance Minister Trevor Manuel explained, only this “makes possible an expanded envelope of public services to citizens” (in Berger 2007, 17). The “twin engines of high growth and rapid job creation” would allow for eventual expansion of services and infrastructure (Heintz 2003, 2).

South Africa’s embrace of fiscal restraint and market-led growth took a “Washington Consensus approach,” but unlike many other countries in the region, was not donor-enforced (Burger P. 2007, 20). GEAR might be described as a “self-imposed structural adjustment programme” in response to limited public funds, concerns about RDP effectiveness, and pressure from business (Wehner 2000, 185). The ANC offered private sector leaders macroeconomic stability and openness to trade in return for support of the affirmative action program Black Economic Empowerment (BEE), designed to signal progress toward transformative goals and build supportive a Black business class to defuse political challenges (Iheduru 2004, 8).

The ambitious targets set by GEAR, implemented from 1996 to 2000, were by most

accounts not reached. Economic management helped achieve impressive growth rates, reflected by inclusion in the Newly Industrialized Countries and Advanced Emerging Economies groups, making it a success in strictly macro-economic terms. However, this was “jobless growth,” which suggests policies failed to translate gains into social benefits. It was also growth that, while achieving absolute declines in poverty, did not benefit the poor proportionally. As a result, inequality has increased since apartheid. The average income of Black households fell 18% from 1995 to 2000, while White household incomes increased by 15% (Heintz 2003, 4). The richest 4% of South Africans, a quarter of whom are Black, now earn about 100 times what the rest of the country lives on (“The President” 2010). Critics argue this is proof the free market alone cannot overcome centuries of structural inequality, demanding that larger social investments are a “necessary precondition for development and rapid economic growth” (Burger P. 2007, 17).

Finally, as GEAR’s main instrument for redistribution, BEE failed to deliver results while increasing intra-racial inequality. More Blacks are at the helm of South African corporations, but this does not reflect a shift in the economic structure or expanded opportunities for the majority of the population. As a result of policies that shift shares to individuals, BEE has merely ensured “a small number of politically connected black South Africans have made a tremendous amount of money” (Herbst 2005, 100). In one of the few evaluations of the program, a 2003 report found that 60% of empowerment deals went to two individuals. Meanwhile one in three South Africans in labor force is unemployed, including half of Blacks aged 15 to 24 (“The President” 2010). Thus BEE has proven a major point of contention, criticized as an ineffective policy, a form of corruption, and another way the ANC has failed to deliver on its redistributive promises.

4.3.2 Pro-Poor Approach

In 2006 the government announced the Accelerated and Shared Growth Initiative-South Africa (ASGISA)—a middle ground between the prior two frameworks that resonates with pro-poor principles. It aims to increase the growth rate to 6% over 2010 to 2014, the minimum required to achieve its objective of halving unemployment and poverty. Priorities include improving economic opportunities, overcoming infrastructure inefficiencies, expanding skills training, and increasing the tourism and Small, Medium and Micro Enterprises (SMME) sectors as a source of increased employment and income. It also aims to bridge the gap with and ultimately eliminate the second economy. A complementary Medium Term Strategic Framework (MTSF) was launched in 2009 with more specific elaborations on creating decent work and sustainable livelihoods, access to equality education, and improved health care and service delivery. The New Economic Growth Path (NEGP), revealed four months after the World Cup, focuses more explicitly on creating jobs as the center of government policy through infrastructure development and skills training (RSA 2006, 2009).

These policy priorities reflect pro-poor principles, with growth critical to reducing poverty and unemployment and reduction of poverty and unemployment critical for the economy to achieve its full potential. As Manuel explained, “more rapid growth makes greater progress in social development possible, and, in turn, well-targeted investments in human capabilities contribute to rising productivity and sustained growth” (in Burger P. 2007, 17). ASGISA also specifically focuses on improving human development to enable broader economic participation. One of its major premises is that lack of economic participation causes a crippling percentage of the population to not share directly in improvements that have occurred. This is also captured in a 2004 BEE manifesto that finds “vast racial and gender inequalities in the distribution of and

access to wealth, income, skills and employment persist” mean the economy “continues to perform below its full potential” (Department of Trade and Industry 2004).

4.3.3 Political Urgency

Dismantling apartheid’s legacy is more than just an economic imperative—it is a political necessity. Since the promise of economic empowerment was intrinsically tied to the struggle against apartheid, to maintain political legitimacy the democratic regime “will have to deliver broad-based prosperity in order to remain credible and vibrant” (Wehner 2000, 183). While after 1994 the ANC spent “most of its time looking over its right shoulder” to reassure White capitalists and international markets, it is now “looking more over its left” at disgruntled activists and tripartite alliance members who accuse the ANC of abandoning transformative ideals and commitment to the poor (“Chasing the Rainbow” 2006). Little of the economic growth achieved since the ANC came into power has benefited its overwhelmingly Black and poor core supporters, and the resulting increase in inequality leads some to claim “the end of apartheid had worsened the plight of the indigent” (Hendricks 2008, 2).

Moreover, strong socioeconomic inequity and feelings of interethnic deprivation are harmful to democracies (Duckitt and Mputhing 1998). High levels of poverty and unemployment are destabilizing, and coupled with racial tension are “a particularly noxious force” (Herbst 2005, 99). They have been blamed for violent attacks against migrant workers and widespread protests over living conditions, among other signs of discontent. High crime rates further illustrate this. The country ranks 123rd out of 144 countries for being “least peaceful” on the 2009 Global Peace Index, which aggregates factors including incidents of violence and propensity for violent

demonstration (Pasco 2009). While the murder rate has declined 44% since the end of apartheid, it is still one of the highest in the world—almost 50 murders per day (Burger J. 2010).

4.4 Symbolism of Soccer

Another framework for understanding South Africa's pursuit of the World Cup involves the widespread appeal and symbolic associations of soccer, which in Africa is "not just a game, it is part of life" (Kimenyi 2010). Soccer is so popular in part because it was a tool of resistance against oppression and apartheid. In the colonies, rugby, cricket and football were viewed as means to socialize Africans into the British way of life; over time each found support bases in new communities, reinforced through race. Cricket embodied British identity while rugby became the Afrikaans' chosen sport; together they fostered unity among Whites and signaled distance from the rest of the population. Football, with a working-class image in England, was slotted into similarly into African society. First introduced as a form of subjugation, at the end of the colonial era it gained momentum as the Black majority sport (Van de Merwe 2009).

Across Africa, soccer became a tool against colonization, paralleling broader social struggles against subjugation. In the 19th century South African migrant workers first set up teams to counter Whites-only leagues. Once apartheid mandated separation in sporting activities many soccer players, "suddenly found themselves political activists" out of simple desire to play (Perry 2010). Soccer in South Africa also has a symbolic connotation as a "rebel game," played on Robben Island by Mandela and other future leaders under exile. These links help explain the widely assumed devotion and emotional attachment of the Black population to soccer.

Sports were not only a tool of domestic activists, but of international anti-apartheid efforts. In 1955 journalists first publically questioned the exclusion of Blacks from sporting

teams, and by 1959 ISIs began grappling with the issue of discrimination in South African sports. While the IOC president did acknowledge that “if participation in sport is to be stopped every time the laws of humanity are violated, there will never be any international contests,” there was sufficient outrage over what this represented. (Lapchick 1979, 156).

Combined with broader backlash over apartheid, such outrage led to the virtual exclusion of South Africa from all international competitions (Steenveld and Strelitz 1998). The South African Non-Racial Olympics Committee (SANROC) was formed in 1962 to challenge both the so-called nationalism of South African international teams and nations who continued to compete with the racist regime. South Africa was expelled from the 1964 Olympics, the same year that it was suspended by FIFA, which later made the end of apartheid an explicit condition of returning to international play (Van de Mewre 2009, 9). While international economic sanctions were more destructive in material terms, the symbolism of the boycott was especially fierce because South Africa is “very sports-minded country” (Lapchick 1979, 157). When democratic negotiations began, the blanket ban sports participation was lifted.

These historical legacies and contemporary challenges set the context for my forthcoming discussion of South Africa’s interest in hosting the World Cup. I have established that the apartheid system bequeathed tremendous economic and social burdens that surface as unemployment, inequality, and constraints to economic participation; accordingly, policymakers and other actors recognize pro-poor development as critical. As the next section will argue, these pressures compelled political leaders to view the World Cup as an instrument for broad growth and transformative goals, with event plans explicitly linked to policy frameworks, while appealing to constituent desires through the power of the sport.

5. Going for the Goal

"Our vision remains that of contributing to halving poverty and unemployment by 2014 and the 2010 World Cup provides a window of opportunity to fast track development towards the attainment of this vision." — Premiere of Gauteng Province Mbhazima Shilowa

This section will establish South Africa's ambitions for the World Cup. I begin with an explanation of its foray into mega-events and then describe the major economic, political, social and development goals of the 2010 bid. Although South African elites used the event for a range of purposes, it was prominently conceived as an avenue to further economic growth while facilitating socioeconomic transformation, as illustrated by connections between existing policy and stated World Cup objectives. As a result of this conception, development was at least in principle a priority of planners and a central component of discussion surrounding the event. While I acknowledge ulterior incentives to stage the games, which will be addressed later, here planning documents, official statements, and broader discourses are considered together.

5.1 Mega-Events Trajectory

Since South Africa's reentry to international competition, it has engaged in concerted efforts to earn hosting rights—a so-called called "mega-events addiction" culminating in a number of second-order games and ultimately the 2010 World Cup (Van de Mewre 2009, 28). Following broader trends outlined in the literature, South Africa initially pursued events primarily for the goal of nation-building and signaling international emergence, and later embraced the economic benefits more explicitly.

Post-democratization, elites were eager to project the image of an evolving society. South Africa fielded teams in the 1992 Olympics and Cricket World Cup, during negotiations, to signal a change on the horizon. Rights to host the 1995 Rugby and 2003 Cricket World Cups were

secured before the transition, in large part due to Mandela's iconic appeal. The events somewhat ironically drew upon the "the bastions of Afrikanerdom and British imperialism" to announce a new democratic state, but their symbolism was valuable. Under the slogan "one team, one nation," South Africa's successful hosting and opportune rugby championship strengthened unity without isolating the minority. It was a "classic textbook case suggestive of the liberating nature of sports events with a powerful symbolic appeal" (Van de Merwe 2007, 72).

Buoyed by this experience, South Africa "emerged as a particularly virile events campaigner" (Cornelissen 2004, 1294). Political and economic elites continued to aim bigger, submitting unsuccessful bids for the 2004 Olympics and 2006 FIFA World Cup before being awarded the 2010 FIFA games. Its relative success in acquiring hosting rights stems from aggressive pursuit and resulting confidence in its capacity. Bidding for the 2010 games was unique because FIFA's temporary rotational system pre-determined the event would take place in Africa. South Africa's biggest rival was Morocco, but its history of hosting and stronger infrastructure secured the win (Cornelissen and Swart 2006; Van de Mewre 2009).

The 2010 bid contained many of the same motivations and strategies as bids for preceding events, while also introducing new ones based on the unique scope and characteristics of the tournament. Although all mega-events were concerned with nation building, it was assumed that the "people's game," as the historic sport of the majority, would permeate the more impoverished sections of South African society than could rugby and cricket (Van de Merwe 2007, 71). Additionally, a successful staging of the world's largest sporting event would symbolically transcend a marred history. In contrast to games played among only among African countries like the African Cup of Nations, the World Cup's global reach would showcase to the world not only South African progress but that of the entire continent.

5.2 Economic Goals

Economic impact was the major draw of the World Cup for most, with about three-quarters of respondents to Human Sciences Research Council (HSRC) annual surveys on public attitudes perceiving economic growth, job creation and putting South Africa on the international map as the main benefits of hosting (Pillay 2008). South Africa subscribed to the common assumptions about mega-event effects: enabling place-promotion to strengthen FDI and the tourism sector, with the goal of stoking economic growth and creating jobs. As Minister of Tourism Marthinus van Schalkwyk articulated: “[It] was never about the hosting of a tournament, but rather about building a legacy for our country and our continent—a legacy in terms of, amongst others, infrastructure development, economic growth, skills development, job creation, nation building and brand awareness” (FIFA 2010).

5.2.1 Policy Catalyst

An operational premise of this thesis is that the World Cup was tied to broader South African priorities and can be conceptualized as an instrument for economic development. Explicit connections of World Cup objectives in planning documents and official statements to ASGISA objectives made clear the event intended to facilitate policy goals by overcoming obstacles to full economic potential, including backlogs in infrastructure, scarcity of skilled labor, barriers to private sector investment, and narrow opportunities for those marginalized from the formal economy. It was effectively the “missing link” in the country’s ability to reach growth targets (Kunene 2009, 3). Reflecting the event’s significance for the broader national project, nearly every government department played a role in ensuring a successful tournament.

Decision-making committees comprised the ministries of sports and recreation, safety and security, foreign affairs, trade and industry, justice, agriculture, arts and culture, and finance, to name a few—all of which saw the World Cup as directly relevant to their duties (Darby 2009).

According to LOC public documents, “in addition to fulfilling the commitments to FIFA, government will use the hosting of the 2010 World Cup as part of the country’s programmes for achieving economic growth and development” and the event would be a “catalyst” for faster achievement of those goals (RSA 2009, 7). Planners anticipated the World Cup would “give the country a significant boost towards its target growth rate of at least 6% by 2010” (RSA 2009, 7). Grant Thornton Strategic Solutions, the auditing firm that supplied the economics behind the bid, projected that R93 billion would be injected in the economy as a result of the event, with direct and indirect impact accounting for 3.6% of GDP, primarily driven by government infrastructure spend, organizing spend and foreign visitors (Du Plessis and Venter 2010, 4). With regard to reducing unemployment, another policymaking priority, event-related activity mainly in the construction and hospitality sectors would provide an influx of jobs of 415,000 jobs, Grant Thornton estimated in 2008. Other estimates ranged from 130,000 to 600,000 depending on source and time period (Cottle 2010; Kunene 2009, 4; Van Den Berg 2010).

The World Cup also aligned with other initiatives emphasized by ASGISA for pro-poor growth. Tourism is a “high immediate priority sector” for increasing economic opportunities through job creation and multiplier effects (RSA 2006). The World Cup would facilitate the goal of expanding the sector, complementing Department of Environmental Affairs and Tourism (DEAT) programs to build service and skill levels in the industry, and overcoming limitations as

Table 1. South African Policy Goals and World Cup Objectives

Policy Area	South African Policy Goal	Intended Contribution of World Cup
<i>Growth</i>	Achieve average growth rate of at least 6 % of GDP between 2010 and 2014 to halve poverty and unemployment	Public infrastructure and organizing spending and foreign tourism provides “significant boost” toward target growth rate
<i>Employment</i>	Improve environment for more labor-absorbing economic activities	Event preparation creates influx of employment opportunities mainly in construction and hospitality sectors
	Leverage formal sector to bridge and ultimately eliminate informal sector through SMME support	Provisions for participation of SMME sector brings strengthens small businesses
	Remedy shortages of suitably skilled labor with education and training	Experience and certification programs provide workers and volunteers with transferable skills
<i>Infrastructure</i>	Overcome backlogs in public infrastructure investment to improve availability and reliability of services	Contractual obligation to meeting FIFA specifications necessitates stadium and other infrastructure development
	Increase public-sector investment as contribution of GDP	Event serves as focal point to mobilize financial and political resources to expedite public investments
<i>Tourism</i>	Increase overall employment in tourism sector and contribution of sector to GDP	Increased visibility from event adds millions of international visitors to reach targets
	Expand SMME and rural tourism sectors	Foreign visitors and media coverage promote South Africa as unique and appealing destination
	Develop marketing, safety and skills acquisitions within sector	Demands of hosting tourists spurs expansion of facilities and development of skills
<i>Foreign investment</i>	Remove barriers to entry and limits to new investment opportunities	Need for training grounds and attractions outside host cities catalyzes SMME and tourism developments
	Create climate that contributes to growth and development	Global spotlight presents "phenomenal marketing" opportunity to increase awareness of country brand and offerings Successfully executed event mitigates concerns about state incompetency, crime and marginality

outlined in the 2010 Organizing Plan, including accessibility to accommodation and coordination. It would also stimulate rural tourism as a means for poverty alleviation and development in peripheral areas. Tourism is typically concentrated in urban regions and the Cape Peninsula; mega-events promise spillover benefits to non-host cities from visitors traveling between matches and the need for training and accommodation sites.

Another related policy goal was supporting growth in the SMME sector, with ASGISA itself emphasizing “linking small businesses to opportunities deriving from the 2010 FIFA World Cup” (RSA 2006). World Cup transport projects were an “integrated part of government's overall investment in transport structure” including road infrastructure, airports development and passenger rails (RSA 2008, 16). Finally, the event would “stimulate economic growth via an influx of foreign capital” (Kunene 2009, 4). Beyond facilitating goals the ANC already wanted to achieve, the World Cup offered a “neat deadline for getting things done” (Werth 2010).

5.2.3 Place Promotion

The first logic of generating economic growth through mega-events is putting the country on the map through place promotion. First, the visibility associated with the event offered a “phenomenal marketing and communication opportunity” to project South Africa as a unique tourist attraction, somewhere visitors return to and television viewers would have to see in person (RSA 2009, 38). Some 400,000 to 500,000 spectators would visit the country for the event, providing a direct source of income (Kunene 2009, 11). But what mattered more was setting the foundation for expansion of the tourism sector. The exposure would bring an additional two million international tourists from 2007 and 2015, generating R8.5 billion in

direct expenditure and R15.6 billion including indirect effects, while stimulating the infrastructure to accommodate them (RSA 2009, 27; RSA 2010).

The publicity would also pique interest of international investors and corporations. As an analyst explained, "Global captains of industry attend mega events, and that can be the catalyst to bring [South Africa] to the fore for investment possibilities" (Mantshantsha 2010). FDI in particular would bring inflows of foreign capital, job opportunities, and increase in transfer of skills and technology. Projects linked to the World Cup such as the Gautrain high-speed rail would "significantly enhance the attractiveness of the industrial corridor between Johannesburg and Pretoria to potential foreign investors" (Polouektov 2010). The event became a "symbol of economic growth through anticipated inward investment and job creation" (Hiller 2000, 454). South Africans were eager for the benefits to reach them, with surveys showing 83% of Cape Town residents believing that foreign investment would proliferate as a result of the World Cup and 87% that it would attract businesses to their communities (Chain 2009, 96-103).

As countries with strong reputations are more likely to attract tourists and FDI, the event would change how the global community viewed South Africa (Reputation Institute 2010). Political and economic elites hoped to prove that South Africa was innovative and cosmopolitan by crafting images that "capture the world's imagination" and signaled it as a "must see, must visit, must invest" location (Bass and Pillay 2008, 332). Said a KwazuluNatal official, "It is a fact that anywhere in the world brands such as Mercedes Benz, Coca Cola and Pepsi are among the recognizable. Not far from that is the Zulu brand. Municipalities will have to define the Zulu brand and sell it to our visitors" (Bass and Pillay 2008). This message would be reinforced by an Ambassador Strategy, which trained 180 volunteers to promote tourism awareness (RSA 2009, 25). Organizers were motivated by the experiences of previous hosts. For example, the Nation

Brands Index, which evaluates nation images based on cultural and commercial assets, showed that after the 2006 World Cup Germany's reputation changed from "hard and cold" to one of "warmth, hospitality, beauty, culture" (Allmers and Maennig 2008, 12). A Grant Thornton analyst noted that South Africa ranked 38 of 50 on the 2009 index and was "hoping to rise to the 20s in the next index" (Amato 2010).

Elites saw the World Cup not only as a chance to promote positive images, but also dismantle negative ones. A successful staging was a tool for transcending one of the biggest constraints to investment and tourism—fear of crime. Experts generally agreed that visitors are unlikely to be the target of South Africa's high murder rate, which is geographically weighted in impoverished areas and among killers and victims who know each other (Rohrer 2010). Nonetheless, fear of crime leads South Africa to be viewed as an unsafe destination, reflected in its relatively low rating on the World Economic Forum Travel and Tourism Competiveness Index, as 60 out of 130 despite endowment of natural beauty and cultural attractions (Du Plessis and Maennig 2009, 66). To ensure visitors "they will be safe in South Africa" and prevent crime reports from marring coverage, 41,000 additional police officers were recruited; special courts were also created specifically for World Cup offenses (Rohrer 2010; RSA 2009, 29). An increased sense of safety would also convince the private sector that South Africa was a good place to do business, since neither crime nor social unrest would threaten their investments.

5.2.4 Infrastructure and Urban Renewal

In addition to achieving economic growth through place-promotion, with payoffs over the longer term, the World Cup was intended to mobilize financial and political resources for infrastructure developments. Given that backlogs, inefficiencies and insufficiencies in public

infrastructure spending are identified as primary obstacles to growth, this would enable the economy to function more effectively and become a more attractive site for foreign investment, while also functioning as a stimulus that creates jobs. Contractual obligations to meet FIFA specifications necessitated public sector investments and facilitated coordination across levels of government and provinces. The government directly linked to its World Cup plans 24 projects identified critical to success, including stadium precincts, training venues, supportive infrastructure and utilities, and waste management (RSA 2009).

Flagship projects included R5 billion to upgrade the N1 and N2 Toll Highway and the R23-billion Gauteng Freeway Improvement Scheme. Cape Town planned investments in the rail system, Pretoria and Port Elizabeth would develop Bus Rapid Transit (BRT) systems, and Rustenberg would improve arterial and secondary roads, among many other plans. Given the pressures of a growing economy, these were pre-existing priorities and would, according to the Minister of Transport, “meet World Cup transportation imperatives [and] continue to be invaluable in the transport needs of our people and economy long after the last goal is scored” (RSA 2008, 15). The event’s hard deadline and resulting “once-in-a-lifetime discourse” also meant projects not specifically stipulated by FIFA could be fast-tracked as a result of their association with the World Cup (Donaldson and Ferreira 2009, 5; Van Der Westhuizen 2009).

Though transportation upgrades were most visible, the World Cup would also affect utilities and telecommunications technology. Noting South Africa's challenges in meeting electricity demand required by economic growth, over R150 billion was allocated to expand generation and transmission; since FIFA requires generators as the primary supply source in stadiums, the Department of Minerals and Energy invested R200 million to procure them. Telkom, one of the largest communications providers in Africa, invested R3.2 billion in upgrades

to its network to meet event demands. FIFA's mandate for digital broadcasting accelerated a R1-billion switch from analogue signals by the state-owned telecommunications company. In addition to providing 80% of South Africans the opportunity to watch the games on digital television, digital televisions may be used as Internet access points (RSA 2009, 16-19).

Finally, while embracing the impetus to develop the national logistic systems, municipal authorities also saw the event as a chance to reap local gains. Goals included using the event to beautify and sanitize their cities, create iconic architecture, and set the foundation for attracting future mega-events. Many officials expressed desire to emulate the Sydney Opera House and Bilbao Guggenheim Museum, which stand as international images for their cities and spur surrounding development (Du Pleiss and Maennig 2009, 67). Such structures would also be down payments on future opportunities. Durban, for example, planned to use its new stadium to strengthen an upcoming Olympic bid (Alegi 2008, 411). "The tourism structures we developed for 2010 will stay in place, and the aim is now to attract further events, conferences and conventions to the country," according to a director at Grant Thornton (Wilson 2010).

The event also provided the impetus and financial resources for urban renewal. The Greater Ellis Park Development (GEPD) project in Johannesburg, for example, was initiated in 2004 to prepare the stadium precinct for the World Cup but was part of the broader municipal strategy of inner-city regeneration in an area that had so far been marginal in municipal policy (Benit-Gbaffou 2009, 200). Ambitious plans were motivated by the assumption that the World Cup was "free money" because the national government and private firms would foot the bill (Tomlinson 2009, 100). Authorities also recognized the event's utility in pushing through controversial projects. Its significance and urgency were used to justify bypassing public

deliberations or making decisions that attract backlash, such as significant public expenditures on vanity projects and regeneration strategies involving evictions.

5.3 Political and Social Goals

Politically and socially, the World Cup had a wide agenda, with value for its own ends and to complement the economic plan. Domestically, the event was an opportunity to celebrate democratization, build national unity and reinforce South African identity. The non-advertised motive was to stabilize ANC power by appealing to its constituency and distracting from its shortcomings. Externally, the event was a political tool to combat negative perceptions of the African continent and create solidarity with continental neighbors.

5.3.1 Nation Building

The 2010 bid was explicitly connected to celebrating South Africa's democratization and reinforcing unity among citizens—part of an ongoing nation-building project in the deeply divided nation. From the 1995 Rugby Cup, elites understood how useful mega-events were for this end. According to Deputy President Kgalema Motlanthe, the event offered an “opportunity to consolidate the national cohesion to cement the sense of belonging, the sense of being one nation” (Door and Fine 2010). Residents subscribed to this premise, with 92% of respondents in a 2008 survey saying it “will be a major boost for national pride and nation building” (Chain 2009, 102). Initiatives such as the “Fly Your Flag for Football Campaign,” encouraging citizens to wear football shirts each Friday, reinforced a sense of civic pride (Keepile 2010).

While celebrating the World Cup as a “testimony to the achievements of our democracy,” some politicians also employed it an antithetical way—curbing criticism to consolidate power

(RSA 2008, 1). Amid growing disapproval about the slow pace of transformation, incompetency and corruption, the event was useful for pleasing, at least temporally, constituencies through excitement and distraction. Viewed as a policy tool, the World Cup signaled to voters that the ANC was addressing their needs: anticipation of job opportunities would appeal to the poor majority while injections into the economy and an improved image abroad would appeal to the business community. Because of the symbolic connotations of soccer, the event was particularly appealing to the ANC's core supporters, offering organizers an "immediate rhetorical advantage" of winning "the hearts and minds of people" (Cornelissen 2004, 1297). By creating a "feel-good high," the World Cup would mask continuing realities of class cleavages. Rallying the country behind the effort could send a powerful signal about change in the racial order, even if conditions on the ground stayed the same (Black 2007, 276).

In addition to improving political stability, nation building has an economic purpose. As noted, the symptoms of social unrest or dissatisfaction, such as high crime rates and incisive rhetoric, render countries unattractive investment climates. There is also evidence that "happier people perform better in general and also earn more income" and that factors such as self-esteem and optimism have positive effects on labor performance (Swinnen and Vandemoortele 2008, 9). The Willingness To Pay (WTP) indicator premises that people are willing to spend more money when they are happy (Harju and Daniel 2010, 13). This suggests that the economy would benefit from the World Cup cultivating positive attitudes. In short, the "national-unity theme was useful both to political elites who wanted to strengthen their own power and to economic elites who saw nation-building as a necessary precondition for social stability and economic growth (Hiller 2000, 453).

5.3.2 African Renaissance

South Africa's leaders also utilized the World Cup as an instrument of foreign relations, a tool to overcome African marginality and build bridges with its region. A major discourse of its appeal to FIFA that it was Africa's right to host the games, fitting with broader messages of an African Renaissance that asked world leaders to view Africa as more than a tragedy. In a letter accompanying the bid book, Mbeki explained what the event would represent: "We want to ensure that one day, historians will reflect upon the 2010 World Cup as a moment when Africa stood tall and resolutely turned the tide on centuries of poverty and conflict" (Black 2007, 268).

By presenting a successful event, South Africa would combat Afro-pessimism, overcoming conceptions of being pathologically corrupt and prone to disaster. Again, this also held an economic purpose as a signaling device. Rebuking popular images of African incompetency and insignificance would make international investors more interested and confident in opportunities there. This aspiration was reinforced by slogans that "It's Africa's Turn"—both to host the event, and to become a global player (Cornelissen 2004).

Yet there was never doubt it would be Africa's turn: FIFA's rotational system meant the only question was which nation would win it. Another reason, then, for South Africa to emphasize the African nature of its World Cup was to transcend the historic gulf between itself and the rest of the region. This stems from a history of minority rule, today fueled by resentment of South Africa's comparative economic power and enlarging role of multinational corporations and the arrogant attitudes of South Africans toward their neighbors. By framing itself as a "gateway to Africa," South Africa incorporated itself into the broader African community and suggested that the successes of its event would spill over to its neighbors (Cornelissen 2004).

According to LOC literature, "South Africa stands not as a country alone—but rather as a representative of Africa and as a part of an African family of nations" (RSA 2009, 1).

5.4 Development Goals

5.4.1 Unique Focus

This thesis is premised on the idea that South Africa's 2010 bid sought a "truly meaningful development agenda" relatively unique among mega-events (Bass and Pillay 2008, 331). Typically, organizers of mega-events "show a great interest in economic criteria, whereas they tend to ignore social and cultural impacts," since economic outcomes are more accessible and thus more effective for proving the worth of an event (Darkey and Horn 2009, 78). Mega-events, in turn, tend to favor those with economic privilege and have a "bad record for accommodating the poor" (Czegledy 2009, 236).

Apparently seeking to buck this trend, South Africa "paid serious attention to the legacy the Cup would leave behind," lobbying to infuse public discourse with an understanding that the mega-event would promote human development and improve the lives of all citizens (Bob and Stewart 2004; Newton 2009, 96). This "strong developmental thrust" first appeared in the failed 2004 Olympic bid and re-emerged in 2010, saturating plans: "From transport and telecommunications infrastructure to improving health services, social development and arts and culture [the World Cup] will leave a lasting legacy for the people" (Cornelissen and Swart 2006, 113; RSA 2010).

While the previously noted objectives of creating jobs and improving infrastructure certainly relate to development, there were a number of plans that also aimed to transcend the trickle-down logic and include direct ways for marginalized South Africans to reap benefits. This

led to the understanding “that for the 2010 tournament to have been deemed successful, the primary beneficiaries must be the poor, marginalized and impoverished” (Darkey and Horn 2009, 78). Based on official plans and related discourse, two major elements emerge as critical: capturing expanded economic opportunities and dismantling apartheid’s spatial legacies.

5.4.2 Spatial Transformation

The first way to harness the World Cup to improve the conditions of the poor was through investments that remedied the entrenched relationship among space, race and development. “Unusual spatial conditions” of most poor people living in peripheral townships with meager access to jobs, infrastructure and services, are identified as a key reproducer of inequality and underdevelopment. The Ministry of Transportation thus committed to using the World Cup as the “beginnings of a public transport revolution” (PRASA 2009). The vision was that “by 2010, South Africa will have, among other things, better sports facilities, a better public transport system and better telecommunications infrastructure” and government would situate investments to “accelerate delivery in existing priority areas” (RSA 2008, 8). Such investments would distribute development widely and “create new functional linkages” from isolated expanses to hubs of opportunity. For example, while new BRT systems would first carry spectators to stadiums, they would be expanded to ease long commutes on a “crowded and unsafe network of weakly regulated mini-buses” (Schensu 2009, 1).

Another aspect of spatial transformation was situating projects in disadvantaged areas with long-term community priorities. This would channel financial resources to where political will was weakest, such as improving surrounding transportation and telecommunications, and avoid the common problem of sports projects being costly and unsustainable. This desire

motivated the bid committee to propose building 13 stadiums rather than FIFA's requisite ten, in order to spread the anticipated benefits across the country as equitably as possible. The 2004 Bid Book called this a "crucial part of the overall strategy to leave a lasting legacy [and] continue to have a positive, relevant impact on local communities for decades to come" (Cornelissen and Swart 2006, 118). Placing stadiums and training grounds in low-income areas would also be a "catalyst for other development," creating jobs and attracting future investment. Authorities also pledged to fund sports programs and art centers in low-income communities as "catalysts for poverty alleviation and opportunities to undo the urban segregation of the past" (Newton 2009, 96). It was projected that direct, indirect and induced impact of total spending on new stadiums would be 1.8 times the actual expenditure, with about R2 billion benefiting low-income households and another R7.7 million affecting others (RSA 2009, 9).

5.4.3 Economic Uplift

The second major thrust of the development plan, fitting with a recognized need for more skills and jobs, centered on opportunities for economic gains in a way that "empower[s] those who were systematically excluded from participation in the economy under apartheid" (RSA 2010). The first avenue for this is alignment of the World Cup with existing policy priorities for reducing unemployment and expanding the tourism sector. Due to infrastructure requirements, the most obvious opportunity was job creation in the stimulated construction sector, framed explicitly as a benefit for the poor because of demand for low-skilled workers. As ASGISA and DEAT acknowledge, tourism was similarly an untapped source of income for those with less education or training. Said the former Deputy President, "We are proud in the knowledge that the jobs that are being created are benefiting the poor around the country" (RSA 2009, 9).

Another major vehicle for uplifting the poor was extending SMME and BBE procurement requirements, described in World Cup plans as “crucial elements in the Government's plan to nurture the business sector and boost economic growth” (RSA 2010). The government required the LOC to procure 30% of products and services from small and minority-owned companies. It also struck an agreement with MATCH, a private company with exclusive rights over FIFA accommodation, to for the first time sanction SMME non-hotel facilities such as guesthouses and bed-and-breakfasts so “small business establishments will also gain” (Darkey and Horne 2009; RSA 2009, 25).

More generally, the government promised that although many areas of commercial activity would be restricted to FIFA and its sponsors, such as sales and advertising in stadiums, “there will still be opening for local businesses” to take up “opportunities created in the ripples of the 2010 World Cup” including “health services, travel services, short-term insurance, event management, logistics, arts, crafts and entertainment—to name but a few” (RSA 2010). To this end, planners aimed to help train community art centers to take advantage of increased tourism during the tournament and created a Tourism Enterprise Programme (TEP) to “uncover tourism products” that could be offered by “tour operators, crafters and storytellers” (RSA 2009, 25).

The informal economy was mentioned in a few of the planning materials, but it is less visible and its intentions are more vague. One document notes, “The Government plans major interventions within the informal retailing sector, where many businesses are run by people who have been historically marginalized. The informal sector plays an important, although often unrecognized, role in the economy. One form of assistance is being planned in the form of increasing access to retail technologies, such as those supporting electronic transactions” (RSA 2010).

Finally, government plans suggest initiatives for using the event to create transferable skills. A Tourism Sector Skills Plan and Language Training Programme, for example, would make workers more marketable candidates for a growing tourism sector. The official World Cup volunteer program enabled 5,000 participants to earn “recognized qualification,” explicitly linked to ASGISA’s focus on education and skills development, for general volunteer skills and possibly specialties such as media (RSA 2009, 37). FIFA also said it would train 6,000 unskilled service staff as workers, who will “all receive a certificate to help them find qualified jobs beyond the [tournament]” (Wyatt 2010).

5.4.3 Rationale

South Africa’s economic, political and social goals for the World Cup are easily explained because they align with the common assumptions about what mega-events achieve, but the motivations for the developmental priorities are more complex. One explanation is that, after decades of investments in economic growth and social distribution had failed to create anticipated changes, officials were eager and even desperate for another option. They thus attached their pro-poor ambitions to an unconventional framework, reflecting how developing countries tend to use mega-events “in ways highly distinct from developed countries” (Cornelissen and Swart 2006, 111). While advanced industrial countries host events based on a pre-existing level of infrastructure and quality of life, South Africa operated in the reverse manner—it viewed the World Cup as a way to catalyze that infrastructure and quality of life (Czeglédy 2008, 288). Benefits such as job creation are typically used to justify expenditures on sports development, but for developing countries such benefits are a primary purpose; thus the World Cup was viewed more as a stimulus package than an attractive spectacle.

From a more strategic standpoint, the development focus may be seen as a rhetorical appeal to international and domestic audiences. Promising social empowerment would help build support for expenditures related to the event. Because the perception of strong public support for a bid is a critical ingredient, a "host narrative that extends beyond mere material benefits...to incorporate a more noble and inspiring vision can be valuable" (Black 2007, 263). Additionally, an emphasis on development enabled the bid coalition to build a persuasive dimension of guilt into their proposal. Following the awarding of the 2006 Cup to Germany despite popular belief South Africa would win, many nations criticized FIFA as anti-African. Capturing this sentiment, it was suggested that the international community could help rectify centuries of African subjugation by equipping the continent with a tool for rectifying the legacies of that history. To this end, the bid committee constructed its pitch in deliberately ideological terms, such as having Mandela and Archbishop Desmond Tutu accompany them on trips (Cornelissen 2010).

In short, elites saw the World Cup as a way to kill many birds with one stone. While it would facilitate economic growth through increased investment and an improved image, civic pride and soccer would please or at least distract the ANC's constituency. On top of this, the bid sought to leverage the mega-event to improve the conditions of the historically disadvantaged through expanded economic opportunities and development in low-income areas. This discussion has confirmed two operational premises of my argument, that the World Cup was viewed as an avenue to further economic growth while facilitating broader socioeconomic transformation and that development was a central priority of discourse surrounding the bid. The following section will track the translation of these principles into practice.

6. World Cup Scoreboard

"Today, a lot of people who are honest enough have come out and said, 'We confess, we were wrong about your country.'"—ANC President Jacob Zuma

"The soccer matches will be played in town, but we don't have tickets or transport to go there.... We are not allowed to trade near stadiums, fan parks and other tourist areas any more. The poor are not only evicted from their trading spaces for the World Cup, we are also evicted from our homes... far away from the centre and from job opportunities and from the eyes of the tourists."— Western Cape Anti-Eviction Campaign

To answer the central question of whether the World Cup delivered on its expectations, this section examines the effects of the event. I first gauge overall outcomes by assessing ex ante ambitions with ex post realities. Because of the focus of this paper, I take particular interest in outcomes linked to developmental objectives, namely expanding gainful employment opportunities and remedying apartheid's spatial legacies. Since economic and political processes are also relevant to the development equation, I then examine the extent to which the World Cup engaged and responded to historically marginalized communities. Here I simply aim to offer an overview of the effects, and will turn to explanatory factors in the following section.

6.1 Outcomes

In assessing the World Cup's bottom line, I examine the following categories of impacts: budget, GDP growth, job creation, infrastructure, tourism, foreign investment, and social cohesion. While these goals are common among mega-event hosts, they also reflect South Africa's specific imperatives of reducing unemployment, improving service delivery and increasing social stability, which may produce developmental gains if they engage more people in the economy and enable it to operate more effectively. To this end, in determining whether intentions were realized, I assess what was accomplished and how it was accomplished—for example, what types of jobs were created and where infrastructure investments were accelerated.

My findings suggest that while the World Cup seemed to improve international reputation, which may ultimately create material benefits, beyond this its impacts were negligible and did not fulfill aims of rectifying economic and spatial legacies of apartheid.

6.1.1 Budget

In the aftermath of the World Cup, boosters emphasized it was “worth every cent,” likely a response to the fact that it consumed more than 20 times the anticipated cost and represented the largest outlay in the history of the event as a percentage of GDP (*Bua News* 2010; Political Risk Services 2010). In contrast with the 2004 Bid Book’s estimate of R2.6 billion, the event cost South Africans a total of R55 billion—6% of GDP and R1250 per citizen (Amato 2010; Harju and Sylvester 2010, 7). Direct national expenditure amounted to about R33.7 billion, with an additional R9 billion from provincial and city governments, from R818 million envisaged in the bid (Du Plessis and Venter 2010). This aligns with growing criticism that *ex ante* impact studies are largely works of fiction that downplay costs, but also that South Africa experienced significant overruns from escalating prices of materials, supplier collusion, and delays from labor disputes, among other factors.

The cost of the event is supposed to be offset by increases in spending by foreign visitors, but these numbers were not as high as anticipated, reducing the main source of projected return. Projected attendance figures were continuously scaled down from 3 million, to 500,000, and then to 200,000 (Hendricks 2008). The cost of three so-called “white elephant” stadiums in Polokwane, Nelspruit and Durban was roughly twice the sum spent by all overseas visitors during the tournament (Amato 2010). Finally, anticipated returns from tax income fell short. It was estimated in the 2004 Bid Book that the R2.3 billion expenditure would generate R7.2

billion in taxes, a significant figure; the final direct public expenditure of approximately R39 billion yielded a taxation income of 19.3 billion, due in part to international leakage and FIFA-mandated tax-free zones (Cottle 2010, 5). If not a financial loss, the best the government could hope for is breaking even, recouping about 10% of what it spent (Neate 2010). Given that events are justified through the benefits they provide, it is appropriate to consider what South Africans paid for.

6.1.2 GDP Growth

According to official projections, the World Cup's direct and indirect impact would amount to R93 billion, or 3.6% of GDP, catalyzing the achievement of growth targets (Du Plessis and Venter 2010, 4). It is difficult to assess the exact contributions because this depends on considerations of the time period and activity directly resulting from the event. Grant Thornton calculated a net contribution to the GDP for 2010 at .54%, while an HSRC report found it to be between .2% and .3% (Cottle 2010, 4). A UBS report estimated that from the official beginnings of preparation in 2006, .5% to 2.2% was added (Ghosh 2010). A "minimalist" approach including only direct World Cup projects finds it contributed about .1% of total GDP (Du Plessis and Venter 2010, 5).

These figures point to the conclusion that the World Cup had little impact on GDP. Global recession starting in 2007 played a role, but it is more reflective of findings that mega-events cannot override broader economic forces. While tournament preparations were expensive in absolute terms and posed significant opportunity costs, as will be discussed, event-specific investments were small relative to size of the economy and investment occurring elsewhere. To provide a sense of scale, at the peak of World Cup investment in 2008, the government spent R9

billion on tournament preparations in contrast with a level of public sector investment of R180 billion and private sector of R334 billion (Du Plessis and Venter 2010, 10). The public spending required by the event has been identified a reason why South Africa was comparatively less affected by the recession, but this is not a focus here because the bid was submitted years before the prospect of recession and framed not a stimulus package but tool for long-term development.

Various economic assessments of South Africa during the World Cup period indicate patterns that fit with the one-time nature of the event. Economic growth slowed from 4.6% in the first quarter of 2010 to 3.2% in the second and 2.6% in the third, following the culmination of event preparations and activities (Neate 2010). The period of build up and staging spurred the construction and accommodation sectors, followed by contractions in the World Cup's wake (South African Reserve Bank 2010). Surplus in trade and inflows from tourists contributed to decline in account deficit, but this was "one-off and will not recur" (Reuters 2010).

While some reports found increased demand in discretionary segments and spending on durable goods, by most accounts expenditures by residents do not contribute to net impact of events (ABSA Capital *Q4* 2010, 3; Amato 2010). When residents purchase items related to the event, such as televisions, this usually affects timing of consumption decisions rather than overall levels; moreover, increased consumption is typically offset by reduced demands in other months or sectors, reflecting the substitution effect (Du Plessis and Maennig 2010, 4). Other reports found growth in local spending slowed in early 2010, as households showed reluctance to spend and borrow money, suggesting the World Cup stifled local demand (Reuters 2010).

Beyond this, impact was "fairly limited and activity levels in certain sectors were quite muted," further suggesting that activity was reshuffled rather than added (ABSA Asset Management 2010, 3). Based on its small contribution to overall GDP and narrow impacts in

non-event sectors, it seems that the World Cup's promise of catalyzing economic growth was overstated. Since about two thirds of impact on GDP occurred in the years before the event, it is unlikely there will be further appreciable increases in the future (Berg 2010). Real GDP growth for 2010 was 2.8% and most observers say it is still unclear how the government plans to achieve the rate critical for reducing poverty and unemployment ("No Jobs" 2010; Statistics South Africa 2011).

6.1.3 Job Creation

The promise of jobs was a major source of support in a country where one in every four people is unemployed. Given that employment predictions are based on multiplier effects, it is not yet clear how many were created and sustained. In early 2010, Grant Thornton noted that 300,000 jobs had been created since 2006, which would represent a 2.7% contribution to employment, while right after the event the Finance Minister estimated that 130,000 had been created in construction, hospitality and transportation sectors. Most estimates are in the region of 120,000 to 150,000 (*Afrol News* 2010; Ghosh 2010; Van den Berg 2010).

In addition to overestimating multiplier effects, another possibility for why numbers fell short of expectation was that opportunities assumed to create jobs for South Africans were outsourced. For example, the tender to provide branding materials was initially awarded to ICO Display SA, but producers reported they would instead be sourced from lower-cost international manufacturers. There was also widespread controversy over the news that FIFA had selected Chinese factories to produce Zakumi, the official mascot (Van Schie 2010).

The number of jobs created by the World Cup did not have a significant impact on unemployment rates. Since the bid was secured in 2004 through 2010, the official unemployment

rate, already an underestimate, dropped negligibly from 27.9% to 25.5% (Harju and Sylvester 2010, 9). Jobs created were not able to outpace ongoing losses, with over a million jobs lost over the past five years; the economic recession in 2009 alone cut double to triple the amount of jobs created by all of World Cup preparations combined (Amato 2010; Van den Berg 2010).

While jobs provided a welcome boost to those employed, they were by nature temporary and entailed little skills transfer. Illustrating this, the massive Gautrain high-speed rail project generated 90,000 construction opportunities but 3,000 permanent maintenance and management jobs (Harju and Sylvester 2010, 9). This is confirmed by significant contractions in the construction sector in the wake of the tournament, a 13.9% decline in employment from late 2008 to early 2009, as projects culminated (DuPlessis and Venter 2010). Unemployment rose by 1.7% from 2009 to 2010 overall (Harju and Sylvester 2010, 9). It has been estimated that four of every five event-related workers are “back on the street” (Amato 2010).

That the World Cup produced growth in the GDP without a significant increase in sustained employment suggests “jobless growth,” a symptom of insufficient linkages for channeling economic gains into poverty alleviation (Cottle 2010, 6). Reflective of this, construction contracts undertaken through Host City Agreements did not have provisions for benefits to workers such as training or insurance. Given that low employment and skills are considered the greatest obstacles to South Africa’s growth, World Cup-related employment offered only “short-term solutions to a chronic problem” (Van den Berg 2010).

Finally, some accounts are skeptical jobs were created at all. An analysis of the Quarterly Labour Force Survey suggests that increases in the number of people employed in construction are simply proportional with overall economic trends. When construction of stadiums started in 2006, it encompassed about 5.6% of total formal sector employment; while about 17,000 new

jobs were added since, the total proportion of the economy employed in the construction sector remained constant from 2004 and 2010. Combined with contraction in non-stadium parts of the construction sector, this suggests that workers were redeployed to World Cup projects but that unemployment on the whole was not affected (DuPlessis and Venter 2010, 12).

6.1.4 Infrastructure

There was much faith in the World Cup's ability to catalyze improvements to infrastructure. A number of high-profile projects were fast-tracked due to their connection to the event, by some accounts "raising efficiency and lowering costs much more rapidly than planned, and with the assistance of donor funds that would have not been forthcoming otherwise" (Evans 2010). This produced about R30 billion in national public expenditures including power generation, roads, upgrades to the three main airports, and expansions to telecommunications and Internet systems. While this process was not without hurdles, from ballooning materials costs to severe delays from labor disputes, in terms of mobilizing priorities stuck in bureaucratic and financial backlog, the event was a success. Current infrastructure spending is at about 9% of GDP, aligning with a goal outlined in ASIGSA (ABSA Capital 2010).

The apparent success is qualified by concern about a "post-World Cup slump in infrastructure spend" and skepticism about government commitment (ABSA Capital *Q3* 2010, 5). Despite the supportive push from large infrastructure programs in electricity and transport, overall growth in public sector investment has slowed—likely reflective of capacity constraints (ABSA *Q4* 2010, 3). This relates to the public sector's technical limitations, compounded by the higher costs of rigid labor laws and corruption that siphons resources. Moreover, if long-standing

Table 2. World Cup Goals and Realities

Category	Event Projections	General Event Outcomes	Development-Specific Outcomes
<i>Budget</i>	Total cost of R2.6 billion	Total cost of R55 billion	Opportunity costs of not spending on basic services and other needs
<i>GDP Growth</i>	"Give the country a significant boost towards its target growth rate of at least 6% by 2010"	Contributed .1%-.5% to GDP with real growth rate of 2.8% in 2010	Unlikely contribution to growth rate needed to reduce poverty and unemployment
<i>Job Creation</i>	415,000 jobs created	120,000 to 150,000 jobs created, of which an estimated 80% no longer exist	Relatively few sustainable jobs with skills transfer, with no significant impact on unemployment rates or workforce quality
<i>Infrastructure</i>	Overcome infrastructure backlogs, spur improvements in national logistics system and "accelerate delivery in existing priority areas"	R30-R39 billion public expenditure on stadiums, transportation upgrades, and broadcast and telecommunications About 60% of funds spent directly on tournament considered "potentially productive investments"	Most stadium and related developments concentrated in higher-income areas, with priority on improving image rather than highest need
<i>Tourism</i>	400,000-500,000 visitors to accelerate goal of 10 million annual tourists by 2010 Stimulate investments in hotels, resorts, attractions and additional sector capacity while signaling South Africa as "must visit" location	200,000-300,000 visitors, with 40% of June 2010 tourists arriving specifically for event About R21 billion of investments in hotels, resorts and national park with 29% rise in national hotel capacity Awareness as leisure destination up 9% and increase in reputation for physical beauty, entertainment and lifestyle	Majority of tourists and event-stimulated developments in large cities and popular destinations, reducing spillover benefits to develop rural tourism
<i>Foreign Investment</i>	"Stimulate economic growth via an influx of foreign capital"	Hosting helped "burnish image globally" according to private sector comments and media depiction Increase in recommendations to invest in South Africa	Most foreign inflows still in bond and equity markets rather than FDI with investor confidence shaped by economic fundamentals such as unemployment, corruption and labor law
<i>Social Cohesion</i>	"Consolidate the national cohesion to cement the sense of belonging"	Surge of patriotism and good spirits during event that dissolved soon after, with resident perceptions of social welfare and effective government dropping	No significant contribution to social stability needed to further attract investors or reduce symptoms of poverty and discontent

priorities to improve national logistics were only put into motion because of the pressure to meet FIFA's deadline, it is questionable that such investments will continue to be pursued without external demands. Still, the projects set into motion will likely contribute to economic development by helping the economy function more productively and making the climate more attractive to businesses.

While the World Cup achieved its goal of mobilizing public investments, it is unclear whether this was entirely in the public good. Though ability to catalyze public spending is often framed as a benefit due to stimulative effects on the economy, some argue that event-related public spending should instead be considered a cost because it entails reductions in other government services, expansion in borrowing or increase in taxation (Matheson 2006, 12). To understand impact on economic performance, then, we must distinguish total public investments from those that stand to improve growth potential: "While the improvement of highways, airports and the rail network can, if correctly planned and implemented cost effectively, improve the long run growth potential of the economy, the economic viability of the stadia is a much harder proposition to prove" (Du Plessis and Venter 2010, 10).

About a third of public expenditure was on building or renovating 10 stadiums, which raises concern in light of stadiums being at odds with community use and posing significant maintenance costs (Du Plessis and Venter 2010, 10). Stadium investments are found to be unproductive investments because they do not in general stimulate surrounding development or higher incomes (Jones 2001; Siegfried and Zimbalist 2000). Additionally, the locations and size of most of South Africa's new stadiums means they are unlikely to see sufficient long-term use, leaving municipalities and taxpayers to foot the bill. For example, Green Point Stadium has a capacity of 60,000 seats, while normal league games draw no more than 10,000 attendants.

Polokwane, with a population of 250,000 and no sports teams, built a 46,000-seat stadium (Slot 2009). Given these considerations, out of the overall R31 billion public funds spent directly on the tournament over six years, closer to R19 billion or 60% can be considered “potentially productive investments” (Du Plessis and Verter 2010, 10).

With regard to remedying spatial inequalities, it is unlikely that these developments will generate desired transformations because they in general led to further concentration of privilege. Infrastructure investments seem to have been made according to event visibility, rather than relative need. As a result of these factors, “wealthier, mostly white areas would receive public funds for the construction and upgrading of stadiums” and other infrastructure while poor townships, “already lacking adequate jobs, housing, schools and many other basic amenities...are unlikely to see comparable improvements” (Alegi 2008, 405).

Examples of stadium locations and other infrastructure targets illustrate tendency for spatial reinforcement. The LOC reduced its proposed number of stadiums from 13 spread throughout disadvantaged areas to 10 in more populous and centralized areas (Cornelissen and Swart 2006). Cape Town’s committee built its stadium in affluent Green Point, rather than upgrade one in low-income Athlone to catalyze development as originally planned, because of suggestions that the surroundings would be more attractive for spectators (Alegi 2008). Similarly, the N2 highway and surrounding developments were revitalized, according to the government, due to “high visibility on the gateway corridor linking Cape Town International Airport with the City.” Other areas in the city are at least as equally deprived, but the priority was improving the first image of South Africa tourists would see after landing (Newton 2009, 102). Finally, the connection of the Gautrain, a high-speed transportation network, to the World Cup permitted it to be prioritized despite complaints that it would exclusively benefit upmarket

suburbs at the expense of the poor and working populations more dependent on public transportation (Van der Westhuizen 2007, 341).

6.1.5 Tourism

Mega-event tourism has three main goals: to provide an immediate source of income from foreign expenditures, to stimulate long-term growth of the sector by marketing the host as an attractive destination, and to develop the facilities and skills to accommodate increased visitors. Most estimates on tourist arrivals range from about 200,000 to 300,000 visitors, down from initial predications in part due to the global recession and relatively high prices due to Rand appreciation. Another study suggests there was little net increase in overseas tourism, between 40,000 to 90,000 (DuPlessis and Maennig 2010). The official figure of net expenditures by foreign tourists is R3.6 billion, with other estimates closer to R2.5 billion, or about .1% of projected GDP for 2010 (DuPless and Venter 2010; Ministry of Tourism 2010).

Hospitality and related services sectors enjoyed heavy demand during a typically quiet winter season. The government estimates that from January to September 2010 there were 5.9 million tourist arrivals, compared with 5 million the year before (Ministry of Tourism 2010). Of the total people who visited South Africa in June 2010, about 40% came specifically for the event (DuPlessis and Venter 2010, 16). While visitors who would have been there anyway do not represent new expenditures, they may also represent gains due to spending at inflated accommodation and transport prices. However, not all expenditures benefited local providers. Because FIFA's exclusive accommodation provider is private company registered in the United Kingdom, "a large chunk of the accommodation and hospitality profit will not stay in South Africa" (Rose 2010, 109).

Additional factors likely constrained the impact of tourism on local economies and employment. Some cities saw increases in visitors, though not all. Gauteng saw a 22% increase in hotel occupancy from June 2009 to June 2010, while Durban saw a 5.5% decrease, following a long trend of decline. Overall, accommodation occupancy levels were disappointing, an average of about 63% across the three largest cities; MATCH, as FIFA's hospitality agency, reserved 92,000 rooms at a South African university but returned 91,000 unused (DuPlessis and Venter 2010, 15; Kuper 2010). Low occupancy levels have been attributed to misleadingly high visitor projections, communicated through a massive national campaign to prepare the sector to "receive the estimated half a million foreign visitors who are expected to descend," which caused developers to invest in accommodations that will not be sustainable in the long run (Darkey and Horn 2009, 83). While increased capacity for tourism, reflected by approximately R21 billion worth of investments in hotels, resorts and national park accommodations and an increase in 29% of beds available nationwide, can benefit the economy if demand increases as well, some argue these investments were "self-defeating" (DuPlessis and Maenning 2010, 15; RSA 2008, 27). Thus while the World Cup was successful in stimulating private sector investment in tourism as a source of income and employment, it is not yet clear what the outcome will be.

As has been noted, the real role of tourism in mega-event logic does not occur during the tournament itself, but from place-promotion that attracts additional visitors. To this end, the World Cup also seems to have achieved the desired cognitive outcome of promoting South Africa as an attractive destination, which may in turn facilitate future growth. The event filled its purpose of putting the country on the map. In a Ministry of Tourism survey, more than half of spectators were first-time visitors to South Africa and, of this, a third said publicity associated with the World Cup was their first source of awareness of the country. Increased total awareness

of South Africa as leisure destination by 9% and intention to visit in short term increased by 35% (Ministry of Tourism 2010).

In addition to awareness, reputation benefited as well. Improved post-World Cup rankings on the Reputation Institute Index, which measures the views of citizens of other countries, suggests the World Cup raised South Africa's desirability. In response to questions about whether respondents admire, respect and have a "good feeling" about South Africa, the score took a statistically significant leap from about 44.6 in January 2010 to 49.5 in August 2010. For context, of 39 countries ranked, Sweden is the highest at 76.3 and Iran the lowest at 20.3 (Reputation Institute 2010). Moreover, the highest ranked attributes were physical beauty, entertainment and lifestyle, which bode well for the tourism sector. Those who attended the tournament itself are also likely to serve as ambassadors, with 96% of survey respondents saying they would recommend the country as a destination (Ministry of Tourism 2010). Of course, for these changed perceptions to result in benefits for South Africa, the spectators who said they would return and viewers who wanted to visit have to follow up on their intentions.

Part of the reputation boost likely came from South Africa's success at holding down crime rates during the tournament, thanks to extra security and enhanced systems, dissuading the idea that the country is too dangerous to visit or invest in. It is difficult to gauge how the World Cup affected crime rates because authorities release only aggregate annual statistics, but local accounts suggest an "apparent lull" not sustained beyond the closing ceremonies. According to a local newspaper, there were 12 violent crime incidents in its jurisdiction from June 11 to July 11, but 42 from July 12 to the end of August. According to a security firm, crime in Johannesburg dropped from 60% to 70% during the World Cup but rose after it (South Africa Web 2010).

Successes in increasing awareness and stimulating development, however, did not

necessarily extend to extending tourism beyond established destinations in urban centers, with investments concentrated in already relatively affluent and high-demand locations. The most visited locations were Johannesburg, Pretoria, Cape Town and Durban—South Africa’s four largest cities (Ministry of Tourism 2010). While this is not surprising given that most stadiums, accommodations and existing attractions were located in these hubs, it conflicts with the ideal of spreading the benefits of the event into rural tourism. Gauteng and the Western Cape, which contain Johannesburg and Cape Town, saw the majority of tourists, with 36.3% and 17.6% visitors according to government figures; rural Limpopo and the Northern Cape saw 3.38% and .54% (Ministry of Tourism 2010, 17).

Moreover, much of the funding mobilized by the World Cup went into the most popular destinations, such as R7 billion in upgrades to the affluent V&A Waterfront in Cape Town and the R1.2 billion development of a golf estate in Kruger Park (RSA 2009, 27). While the World Cup left South Africa a more attractive destination poised for additional tourism growth, it is less clear whether it facilitated the objectives of expanding SMME and rural tourism. An ex post study by the Ministry of Tourism affirmed that while the event had met anticipated objectives of increasing tourist volume, spend and length of stay, it did not achieve its goal to "promote transformation" (Ministry of Tourism 2010, 7).

6.1.6 Foreign Investment

Although planners did not publically emphasize attracting foreign investment as much as other goals, this is implied by emphasis on showcasing a successful Africa to create a reputation as a country that “can actually deliver and that is good for future growth,” according to Finance Minister Pravin Gordhan (*Bua News* 2010). Since being chosen to host the World Cup, FDI to

South Africa has outpaced performance by other African countries and there is “clearly a growing interest,” with FDI inflows of \$9 billion during 2008, up from \$5.7 billion in 2007, according to the United Nations Conference on Trade and Development (UNCTAD) (Polouektov 2010; UNCTAD 2009). *FDI Magazine* named South Africa the “African County of the Future” for three years during event preparation (Polouektov 2010). This was not necessarily a cause of hosting the tournament, though. It is more likely that multinational corporations are responding to an emphasis on African countries more generally as “lions on the move” (McKinsey Global Institute 2010). The large jump in inflows from 2007 to 2008 is distorted by a single transaction, a Chinese 20% stake in Standard Bank (UNCTAD 2009, 44). Similarly, as one of the most significant examples of FDI in South Africa, the Gautrain high-speed rail was not directly a World Cup project; it was envisioned in the transportation program before hosting rights were awarded and not initiated solely because of the event (Polouektov 2010).

Nonetheless, the visibility of the World Cup and boost to reputation may catalyze progress. Based on media coverage and preliminary forecasts, it seems that another cognitive success was peaking investor interest. Some of the interest seems to result simply from the country being in the international spotlight. For example, a Cape Town asset management firm reported inflated interest from Japanese investors in an African commodities fund the day after Japan advanced to the knockout stages (Cropley 2010). Further suggesting this, a study examining the number of Google hits on the country as a proxy for awareness of South Africa found an increase in about 60 percent from April to August 2010 (DuPlessis and Maennig 2010, 17).

But South Africa's demonstration that it could execute a sophisticated event also seemed to change perceptions and, according to a World Bank report, “burnish its image globally” (World Bank 2011). Grail Research found that the one area in which perceptions of South Africa

grew significantly higher was being “well prepared to host the World Cup;” 8% respondents agreed with the statement before the event, compared with 22% after (Grail Research 2010, 9). A news story on European investors inferred that “there’s no question it’s changing perceptions,” especially because the image broadcast was a far cry from “a hopeless and hapless continent more accustomed to making headlines through war, pestilence, famine and death” (Cropley 2010). Noted a Coca-Cola executive, it showed that South Africa “is not just bush, but a high-tech country with high-tech capabilities” (Bolton 2010). The Reputation Institute study found a statistically significant increase in the number of respondents who would recommend the country as a place to invest, from a score of 36.9 on its index in January to 42.9 in August (Reputation Institute 2010).

Similar to tourism, though, it is unclear whether changed perceptions will endure and whether they will translate into significant foreign investment. So far, there is no evidence to indicate this is the case. Described a real estate firm agent, “All the World Cup did for us was to increase our international exposure...But this interest hasn't translated into additional sales” (*Property Magazine* 2011). Moreover, to determine if the World Cup has succeeded in its aims with regard to development, we must keep in mind whether resulting investments are types that connect to low-income communities and contribute to pro-poor growth.

According to the South African Reserve Bank, overall foreign flows into the country have increased, but the bulk are portfolio inflows channeled directly to equity and bond markets. FDI has in fact declined since the World Cup, from R2.9 billion in the second quarter of 2010 to R1.1 billion in the third (South African Reserve Bank 2010). While there are many explanations for this, one possibility is that it reflects investors’ continued hesitancy to make more substantial investments on the ground. As a report described, “overseas investors are happy to put their

money to work...as long as they can get it out quickly” (Mundy 2010). These are not the type of investments that achieve policymakers’ goal of supporting long-term relationships that create jobs, contribute local linkages, and help South Africa graduate from aid dependency to economic power.

With regard to investor confidence, it seems that although interest was piqued, concerns about South Africa were not fully assuaged. While the World Cup assuaged fears about crime and incompetency, it did not affect the more fundamental issues that make it unattractive to investors and uncompetitive outside a few sectors (Lyman 2010; "No Jobs, Boys" 2011). As noted by a global image consultant, “Places are judged by what they do and what they make, not by what they say about themselves. The image can only be changed by a constant, unbroken stream of dramatic evidence” (Amato 2010). Attracting foreign investment will continue to depend on factors more important than being “open for business,” including unemployment, political stability, corruption and crime (Harju and Sylvester 2010, 10; Polouektov 2010).

6.1.7 Social Cohesion

The final way that the World Cup may have facilitated economic growth is through the cognitive outcomes of successful nation building. If symbols of unification and high spirits surrounding the event could distract from or heal deep social rifts, this could improve stability, creating a more attractive investment climate and tourist destination. Many media accounts emphasize the World Cup’s ability to bring people together in celebration.

As a reporter describes, the event cultivated a “seismic shift in terms of social cohesion and identity...South Africans of all races have been donning their country’s national team shirts on Fridays, flying the national flag from their car windows, wrapping their rear-view mirrors in

socks sporting the national flag, and chanting slogans about how Africa's time has come" (Battersby 2010). Jordaan extolled, "It has not just been about people coming here to discover South Africa—it was South Africans discovering themselves," (Hughes 2010). Following the event, supporters sought to draw out the "feel good" sensation, staging a press conference in December 2010 to launch a "World Cup Trust Fund" (FIFA 2010).

However, while the national climate was undoubtedly exuberant, it does not seem to have offered anything more than a temporal burst of patriotism and joy. In a 2008 survey 84.3% of respondents agreed the event "will make locals feel good about themselves and their community" (Chain 2009, 102). Yet in contrast with upward ticks in foreign citizens' reputation of South Africa, after the event there was a "massive drop in internal perceptions" (Anderson 2010). The most significant losses were in the perceptions of social welfare and effective government, each falling from about 60 out of 100 in January to 35 in August (Reputation Institute 2010).

There have not yet been significant assessments of class or racial tensions after the World Cup, but as the Africa Monitor predicted, the euphoria seemed to fizzle out "as soon as normal business resumes and the harsh realities of the economy bite" (African Monitor 2010). As soon as curtains closed on the ceremonies, tensions resurfaced. For example, heated strikes by COSATU unions in the wake of tournament with a particularly "murderous mood" suggest that the frustration of poor and working classes about inequalities and lack of opportunity remains strong (Fairbanks 2010). While on one hand this served to "deflate the World Cup spirit," it also signified that the World Cup had little impact on prolonged national mood (Anderson 2010). This aligns with findings that "the role of sport in the whole broad issue of social cohesion is necessarily minor. The big problems are political, economic and social and sport cannot work miracles" (Coalter 2008, 4).

This assessment has established that the significant costs of the World Cup brought little benefit. The objective of place-promotion seems to have been accomplished, thanks to an emphasis on creating positive tourist experiences, signaling the state's capacity for a sophisticated event, and minimizing negative images of crime and social unrest. However, it is not yet clear whether changes in perception will translate into tangible material benefits through tourism and FDI. Additional objectives seem to have been achieved only temporarily, if at all. Spurts of activity in event-related sectors, an influx of low-skilled jobs, and surge of social cohesion all dissipated after the tournament was over. Finally, other aspects of the event strayed from ex ante development ambitions, with negligible investments or spillover effects in low-income areas. As the following discussion will show, in addition to not achieving the benefits on which costs were justified, the World Cup also undermined the development objective of including and empowering the historically disadvantaged.

6.2 Processes

The preceding discussion reflected the government's assumption that "if mega-events prompt governments to expedite the spending of public funds efficiently and advance much-need infrastructural projects and other important social services, surely they act as catalysts for economic and social development" (Herzenberg 2010, 206). Through this view, the ends, if achieved, justify the means. Yet, according to the principles of development as a process, individuals must not be passive recipients of plans to improve their lives, but agents in decisions that affect them. Moreover, they must be able to actively participate in economic society, rather than wait for benefits to vertically reach them. To fully understand the effects of the World Cup, we must look at how it shaped communities' economic participation and political voice. I find

that in these regards, the World Cup not only did not catalyze development but its outcomes were antithetical to the government's aspirations for pro-poor growth.

6.2.1 Economic Empowerment

The negligible impact of the World Cup on sustainable and skilled job creation, which would have been a critical contribution to pro-poor growth, has already been discussed. This section will examine the tournament's effect on economic empowerment more broadly, with regard to meaningful participation and proportional benefit. I find that despite pro-poor rhetoric associated with the event, benefits were disproportionately enjoyed by those with pre-existing privilege and access. Regulations designed to protect the FIFA's corporate partners closed off these avenues for many of South Africa's poor, while provisions for SMME and BEE participation were of slight value, further entrenching inequality. This conflicts with both the explicit goal of operating the event in a "way that will empower those who were systematically excluded from participation in the economy under apartheid" and the priorities of the broader pro-poor policy stance the nation has undertaken (RSA 2010).

First, while many local businesses were resentful of FIFA restrictions on activity near stadiums, designed to prevent ambush marketing, they were particularly significant for those in the formal economy. If the World Cup was premised on benefiting all South Africans, some have observed, then informal trading was one of the main way local entrepreneurs could benefit from the influx of visitors (Harju and Sylvester 2010, 16). Instead, the livelihoods of street vendors were threatened by "exclusion zones" nearby FIFA venues, where companies like Coca-Cola's and Budweiser's partnership agreements ensured that only their products were sold (Cornelissen 2010, 137). Such codes also imposed significant burdens on individual entrepreneurs. For

example, women who vend food outside stadiums, one of the discerning features of South Africa's soccer matches, were instructed to purchase prohibitively expensive mobile kitchens and permits (Desai and Vaheed 2010). Advocacy organization Streetnet International estimates that as a result of being forcibly removed from these zones, more than 100,000 traders lost their income streams during the event (Wyatt 2010).

Second, commitments to increasing access to the fruits of the tournament through SMME and BEE provisions were not effective means of expanding opportunity. Government planned to use "roadshows" to inform small business owners about World Cup opportunities (RSA 2009, 9). However, studies found few residents were aware of any provincial or local initiatives to this end. Many small business owners also found the terms of programs designed to assist them stifling. Only 12% of bed-and-breakfasts, intended to be one of the largest opportunities for growth in small enterprise, had applied for official accreditation based on owner perceptions that FIFA and MATCH "want to rip us off" by requiring them to fix their prices while taking a 30% commission (Darkey and Horn 2009, 80-89). Finally, rather than bridge the secondary economy to the primary one through SMME, one of ASIGSA's explicit goals, the event instead enlarged the informal economy, which grew by about 115,000 jobs in the second quarter of 2010 as formal jobs were shed. Although this provides some degree of alternative income, it does not suggest a "trajectory towards more socioeconomic equality" (Harju and Sylvester 2010, 10).

BEE requirements had a similar effect of reinforcing existing economic divisions by creating additional opportunities for a narrow group of politically connected elites rather than the broader population. Although the LOC reports that 55% of organizational spending by 2005 was through BEE companies, there is evidence that these transactions, like the overall BEE project, was not in the benefit of the intended majority (RSA 2010). Instead, so-called "tenderpreneurs"

won lucrative state contracts through affirmative action provisions that were sometimes abused (Bond and Desai 2010). A number of companies practiced “fronting”—transferring shares with minimal value to so-called Black partners to qualify for contracts. In a notable example, it was found that the major empowerment shareholder for the company managing Johannesburg’s Soccer City “is a former security guard who lives in a poor township” who joined the firm less than a year before it was selected for a 10-year tender. The partner claims to have not paid anything for the shares and denies owning any (Rose 2010).

The unfeasibility of local access to the football matches symbolizes poor South Africans’ exclusion from an event rhetorically supposed to celebrate their favorite pastime. At first FIFA sold tickets exclusively online, despite the majority of Africans not having access to the Internet or credit cards. In a country with a median monthly income of about \$250, the price of attending a game was far out of reach. Days before the opening ceremony, hundreds of thousands of tickets had not been sold because of the expense. Analysts had reduced their initial projections for African ticket-holders by 77% (Saunders 2010). Though authorities tried to correct this by selling a limited number of tickets at \$20, this did not make much difference; fees for local premier league matches are usually about \$2.60, and African attendance at games fell well below expectations as a result (Du Plessis and Maennig 2009). The interpretation that the World Cup was not staged for all South Africans is further suggested by “anti-Thefa” protests and a “Poor People’s World Cup” (“Urgent Press Statement” 2010).

If local businesses and informal traders did not benefit from the World Cup, then who did? According to COSATU, the World Cup was “hijacked by big business,” though others argued that the event was in the interest of multinational corporations all along (Hamlyn 2010). After all, as a government statement explains, “Bigger businesses, especially those in South

Africa's sophisticated financial services sector, stand to benefit from the World Cup. They should have no difficulty taking advantage of 2010's economic opportunities” (RSA 2010). In a 2008 survey, 45% of residents believed businesses would benefit most, 17% believed it would be the "wealthy and rich and 13% believed it would be FIFA, while another poll found that only 8% of residents believed benefits would flow to the “poor and disadvantaged’ or to persons living in rural areas” (Chain 2009, 106; Pillay 2006). The combination of exclusions of informal trade and small business, availability of lucrative public works contracts, and absence of discernable linkages of growth to broader social benefit meant these predictions largely came true.

As a result of a narrow set of domestic and international corporations reaping the majority of gains, it is likely that the World Cup “reinforced an already skewed economy” (Harju and Sylvester 2010, 7). Thus a third impact with regard to economic empowerment was exacerbating the inequality that plagues South Africa, counter to the imperatives of pro-poor growth. The mostly jobless growth that occurred suggests that as total GDP expanded, however modestly, benefits were not broadly distributed and instead coalesced among the already wealthy. Given South Africa’s struggle with growing wealth disparities, it seems the World Cup functioned to strengthen what is described as a new system of “class apartheid” (Bond 2010).

The experience of the construction sector is representative. The government took pride in stadium construction creating R7 billion in wages with 2.2 billion going to low-income households. However, critics have noted that with only 30 percent of wages going to the poor, the economic benefits of construction “seemingly replicated South Africa's pattern of unequal wealth distribution” (Harju and Sylvester 2010, 8). Lucrative contracts for stadiums and infrastructure ensured higher profitability of construction companies while increasing income

inequality within the sector; the wage gap between a general worker and chief executive grew during event preparations from 166 in 2004 to 285 in 2009 (Cottle 2010, 10).

6.2.2 Political Participation

The World Cup was not just economically regressive, but the political processes accompanying it were corrosive. While politics were not an explicit concern of World Cup literature, it is significant given the underlying needs of agency and confidence in leadership in light of public memory of oppressive minority rule and increasing frustration with the ability of officials to respond to local needs. Studies on "social regeneration" through mega-events emphasize the necessity of community values being central to decision-making processes, empowering local communities to become agents of change, and open communication and mutual learning to minimize power brokering and community exclusion (Mason and Misener 2006). By most accounts the World Cup did the opposite, conflicting with the inclusive principles of the event and goal of "a positive, relevant impact on local communities for decades to come," with implications for democracy (Cornelissen and Swart 2006, 118).

First, compliance demands and "increasing stress on security and image" undermined local agency and trust by compelling governments to operate covertly and without consent (Béni-Gbaffou 2009, 208). While the World Cup did fulfill a goal of expediting urban renewal, it did so in a top-down direction at odds with community will, reflected in prevalent instances of "sanitary evacuations" and other displacements. For example, in Johannesburg's Greater Ellis Park, authorities took advantage of the World Cup to remove many poor and homeless from slum areas to make room for private housing development, without provisions for incorporating them

Table 3. Pro-Poor Principles and Mega-Event Effects

	Development Principle	Effect of World Cup
<i>Economic Empowerment</i>	Pro-Poor Literature	Restrictions on informal trading threatened incomes and livelihoods of poor during tournament
	Expansion of the poor's participation in economic activities through human development like education, health care and basic services	Provisions for enlarging participation of SMME and BEE enterprises ineffective or benefited narrow band of standard recipients
	Growth that occurs reduces poverty and inequality through improvements in income or consumption distribution	Concentration of benefits with private sector domestic and multinational elites without active linkages to broader population increases inequality
	Mega-Event Ideal	
	Commitment to "making sure the tournament brings opportunities that can be accessed...in a way that will empower those who were systematically excluded from participation in the economy under apartheid"	
<i>Political Participation</i>	Pro-Poor Literature	Forced evictions and removals corrode public trust in authorities
	People must be engaged in and empowered by the development processes that affect their lives	Citizens for most part not involved in decision-making or communicated with about plans
	Political processes must be transparent and leadership accountable so that the public voice is included in and has agency over decision-making	Inflated expectations about benefits and increased scrutiny of government spending contributed to disillusionment and backlash
	Mega-Event Ideal	
	"Social regeneration" through mega-events requires community values being central to decision-making, empowering local communities to become agents of change, and open communication and mutual learning to minimize power brokering and community exclusion	

Into the regenerated location (Bénit-Gbaffou 2009). Mpumalanga's provincial government threatened to reverse a claim settlement unless the Matsafeni community surrendered a prime portion of its ancestral land for R1 to build a R1 billion stadium (Desai and Vahed 2010). Pupils in Mbombela schools were displaced into temporary tin structures so stadium contractors could use their schools as an office (DuPlessis and Venter 2010, 9). These and other instances of prioritizing the "visitor class" would strain the "bonds of trust between local leaders and the citizenry" (Eisinger 2000, 316).

Disempowerment is reflected most poignantly by forced removals, particularly painful because of the memory of apartheid evictions, but also in local preferences and needs not being valued by planners (Newton 2009). Public opinion was far from monolithic. While the population for the most part demonstrated significant enthusiasm about the opportunity to host, many residents also had concerns about the disruptions the event would cause and skepticism about its premises. In a 2008 survey of perceived impacts, negligible or negative impacts topped positive ones, with the top three responses being that there would be job losses after the event, no impact on the city or country as a result of hosting, and no sustainable use of the stadiums after the event. Over two-thirds of respondents agreed the event would "disrupt the lives of local residents and create inconvenience," with the majority believing there would be disruptions such as traffic congestion and excessive noise, delays of basic services in poor areas, and higher incidence of criminal activities. Nearly 50% believed "too much money will be spent on the World Cup event that could be spent on other activities" (Chain 2009, 92-96).

Although planning documents emphasized community priorities and long-term needs as critical, local officials and other decision-makers were rarely receptive to their point of view. Similar to municipal sports franchising, because the efforts of securing public financing are so

critical, "the preference is to shield the funding decision from the uncertain outcome of a public vote" (Eisinger 2000, 323). While poor and working classes held the smallest voice, citizens of all means found themselves devalued in the decision-making process. The "unilateral and undemocratic" decision-making experience of the Cape Town stadium exemplifies this. Green Point citizens actively opposed the construction of a massive facility that would cost millions of tax dollars per year to operate, along with concerns about environmental impact (Alegi 2008, 404). Their citizens association submitted 12 appeals and proposed alternative sites, but authorities stood their ground. When activists initiated a lawsuit to halt the rezoning process, they were threatened with an ultimatum to drop the case or compromise the city's ability to participate in the World Cup at all (Alegi 2008, 404).

Not only was the public not meaningfully involved in decision-making, organizers were not transparent and did not sufficiently communicate plans to those who became the targets of them. Numerous surveys found that residents were confused about key aspects, such as the location of stadiums, and that they felt excluded from the process (Bob and Swart 2004). For example, a survey of Cape Town residents found over half were unaware or unsure about the legacy of the stadium being planned, "raising concerns about the communication and distribution of information regarding planned stadia developments and the distribution of benefits by 2010 key stakeholders." It also found 40% of respondents felt organizers did not do enough to communicate with them (Chain 2009, 101). The 2004 Bid Book was removed from public circulation, while the LOC refused to accommodate a newspaper's request for copies of tender documents, claiming it is a private body and should not have to comply with public procurement transparency requirements (Bond 2010).

Freedom of expression was also arguably compromised in the name of a successful event

Journalists earning FIFA accreditation had to pledge not to print anything that "negatively affects the public standing of the Local Organizing Committee or FIFA" (Bond 2010). Journalists who questioned the motivations or impacts of the World Cup were dubbed unpatriotic, with government "dismissing calls for reflection as examples of Afro-pessimism or worse" (Alegi 2008, 328). To prevent social tensions from shaping media coverage of the event, no protests were allowed within 10 kilometers of stadiums, and some municipalities went further; the Johannesburg Metro Police banned all advocacy groups from marches or gatherings through June and July of 2010 (Bond 2010).

As a result of "disjuncture between what people on the ground are and have been saying and feeling" and what has "been articulated by their leaders and representatives" democracy was compromised (Darkey and Horn 2009). Beyond conflicting with the ideals it was in principle celebrating, this was antithetical to South Africa's goal of social inclusion and stability. Absence of public involvement in decision-making, particularly with regard to evictions and other sorts of urban regeneration, contributes to apathy and violence (Bénit-Gbaffou 2009).

Disillusionment and backlash were additional political costs, reflected in post-World Cup polls showing significant drops in residents' perception of effective government and social welfare (Reputation Institute 2010). One source of this was frustration over what the event suggested about government priorities. The government had "shown its ability to rise to the occasion when the world is watching," according to a risk assessment, and now faced raised expectations from a population disturbed by its failure to use that demonstrated competency to address basic services, crime and corruption (Political Risk Services 2010). For example, on Human Rights Day following the tournament, 15,000 Cape Town protesters marched to demand resources for township schools, decrying that "the government spent billions on the World Cup,

but has not invested the same on basic education" (Associated Press 2011).

On the other hand, people also felt disillusioned that the event had not delivered on its promises. Despite their concerns, the majority of South Africans were extremely enthusiastic about the event, to the point of having “unrealistic expectations” motivated by exaggerated pledges. In a May 2010 speech President Zuma said 3.2 million additional job opportunities would be created during the World Cup—a much higher figure than any of the predictive studies had encountered (Harju and Sylvester 2010, 14). Whether this was deliberate deception or simply enthusiasm, it set the bar high, and this too was problematic with regard to trust in leadership when those benefits did not pan out.

To help understand the potential for backlash, we can draw on the theory of "revolution of rising expectation." First used to describe Asia's "awakening" in the early 1950s, this refers to the stage in which individuals' aspirations for higher levels of accomplishment “have coalesced into a conviction and expectation that they will achieve” (Jacobs and Cleveland 1999). As a reporter described, the World Cup made the poor “personally part of a South African success story” they are rarely part of and “they won’t fast give up the sense of entitlement and expectations that engendered” (Fairbanks 2010). This reflects broader disillusionment of the ANC’s ability to deliver on promises for transformation, with the World Cup standing as proxy for the stifled aspirations for the post-apartheid state.

It is clear we must add another set of costs to the World Cup balance sheet—those to economic and political processes that are critical to pro-poor development and to the social fabric more broadly. Despite rhetorical commitments to uplifting South Africa’s poor, the World Cup instead excluded them, threatened their livelihoods and increased inequality. The event was also politically corrosive, with public officials acting without input from constituents or in violation

of their desires. The threatened bonds of trust are damaging to democracy, and potential backlash from unmet expectations may increase social instability. Thus, while benefits were meager, costs were significant—direct financial costs, opportunity costs of not investing in more critical needs, and costs to livelihoods marginalized communities.

To summarize the World Cup's balance sheet, the event seemed to pique international interest and improve perceptions of South Africa, which has the potential to lead to economic growth by raising tourism and FDI. However, it saw only negligible and temporary effects in other categories. With respect to expanding economic opportunities and addressing the structural legacies of apartheid, it did deliver. Jobs created were temporary and without skills transfer, while infrastructure improvements were concentrated in privileged areas; at best it seems the event will deliver benefits to a narrow slice of private sector elite and political allies. On top of this, the World Cup marginalized already disadvantaged communities and threatened democracy more generally. In short, these were not investments in the public good. The characteristics of FIFA as the event owner and the assumptions on which the World Cup was founded help explain these outcomes, and will be explored in the next section.

7. Lost in Translation

"It's almost the same as if we had ploughed the money into health and education, because it influenced how we are seen in the world as an investment destination."—International Marketing Council CEO Miller Matola

Flawed predictive studies and unanticipated factors like recession and price inflation help explain why the World Cup did not meet many of its *ex ante* anticipations with regard to economic benefit. However, we must look deeper at the development side. Plans and public rhetoric suggested officials believed they were “dutifully carrying out social responsibility programmes for the benefit of historically disadvantaged communities, as advocated by both FIFA and the South African authorities” (Alegi 2008). Yet not only did the World Cup fail to live up to stated goals, it undercut the economic and political processes critical to pro-poor development. What, then, went wrong? These results were shaped by the priorities of ISIs and the underlying assumptions about how mega-events achieve economic growth. In this section I first examine the motives of FIFA as the event owner, which prioritized profit over a rhetorical commitment to the social good, and then explore how the fundamental logic of mega-events skews civic attention and exacerbates risks. These findings suggest that such endeavors are intrinsically at odds with pro-poor principles. Though I focus on the South African experience, we can draw conclusions mega-events more generally based on similar ISI incentives and operations and the nature of mega-events as one-time, high-profile affairs deigned to increase a location’s appeal and profitability.

7.1 Organizer Incentives

While South Africans were in principle concerned with the legacies of the event, the event organizers were in fact preoccupied by the need for immediate profits. This was prioritized

over community desires, democratic principles and sustainable development processes, all of which “brought into stark relief how the World Cup is FIFA’s main source of revenue, and not a tool for social development and broad-based empowerment” (Alegi 2008, 402). Here I will illustrate how FIFA’s goal of generating profit and protecting its corporate partners overshadowed local visions for the event. Despite framing itself as an instrument for social good, FIFA is in practice not concerned with the developmental legacies of its product.

7.1.1 Profit Motives

Although it is a nonprofit organization, FIFA benefits handsomely from the World Cup. It expected to earn about R24 billion from South Africa, its most profitable event yet (Marrian 2010). 2010). With one seller and furious competition to buy its product, “it is not a surprise that FIFA is able to extract most of the financial rents” (Du Plessis and Maennig 2009, 62). To ensure its bottom line grows each year, it must create a tournament that is attractive for global viewers at the lowest possible cost. Since revenue comes mainly from sale of broadcasting and marketing rights, along with ticket sales for the LOC, what happens after the tournament has no direct impact on finances. Rather, interests are served by access to “state-of-the-art stadia” in the “best location” (Brummer and Schoonbee 2010,138). FIFA wants to present a good product; all else is subordinate to this need.

The driving force of FIFA’s profit motive is corporate partnerships, with sponsors including Coca-Cola, Visa, Budweiser, Continental and McDonald’s, who provide the material base for the World Cup. The role of corporations has increased significantly over the past decades, rendering returns on investment the top priority. Worldwide sponsorship value for the World Cup increased from a 1984 value of \$2 billion to a 2006 value of over \$20 billion (Sharma

2010). In return for financial contributions, companies earn the right to have their brands prominently exhibited at FIFA events. FIFA thus restricts potential competition by curbing economic activity of local businesses and demanding legislative protections, such as copyright laws that trademark terms like “2010” (Czegledy 2009).

As illustrated by World Cup outcomes, FIFA’s “material self-interest trumped local agendas” (Bass and Pillay 2008, 340). First, the goal of maximizing profit undercut creation of many of the jobs South Africans anticipated, with FIFA contracting manufacturing of souvenirs and other goods to Chinese companies for lower cost labor. According to COSATU, the unions believed the World Cup would catalyze the reinstatement of thousands of jobs that had been lost, but instead detected “complete disregard to the need to ensure a World Cup legacy” with regard to employment (“World Cup Outrage” 2010).

Not only did restrictions on informal trade in exclusion zones curtail the poor’s ability to make a living during the event, the broad changes to intellectual property legislation FIFA demanded, such as to copyright the numbers “2010,” also curtailed the government’s promise that small businesses more broadly could enjoy the “opportunities created in the ripples of the 2010 World Cup.” For example, non-sanctioned local manufacturers could not make event-related souvenirs to sell to tourists. According to FIFA Secretary-General Jerome Valcke, “You have to respect the rights of others. We can send people to jail if they try and profit from the World Cup when they have no right to do so” (Hennigan 2010). FIFA’s profit concerns also limited the government’s ability to reap anticipated gains from foreign visitors. It mandates that hosts create “tax-free bubbles” for income and value-added tax in stadium precincts and related facilities, meaning government recouped nothing from goods sold at games or in fan parks.

The profit motive also distorted the event's goal of deploying resources to overcome the spatial legacies of apartheid. While the event planners wanted to funnel resources mobilized by the World Cup to where they could have the most transformative impact, FIFA wanted games in locations that would attract the maximum number of visitors and appeal to an international audience. A telling example is Cape Town's experience. In response to the proposed stadium in a low-income neighborhood, a government official reported that "FIFA delegates objected that the low-cost council housing around the Anthlone stadium would not form a suitable backdrop. A billion television viewers don't want to see shacks and poverty on this scale." FIFA representatives later denied this account, but confirmed that the delegation suggested a renovated stadium at Green Point would "provide a magnificent and memorable televisioal [sic] image of the city to billions of viewers worldwide" (Alegi, 2007 319).

This decision put a greater burden on taxpayers as well; instead of spending R200 million on necessary upgrades to the existing Anthelone stadium, authorities earmarked R4.5 billion for a new one. This represents a significant long-term cost for Cape Town, since it was expected to have an operating loss of R6 million by 2010 (Alegi 2008, 404). The private company contracted to manage Green Point for 30 years dropped out three months after the event, having realized there was little use for another sports facility in the area, leaving taxpayers to foot the bill ("Surprising Cost" 2010). Responded then-mayor of Cape Town Helen Zille, "I really think that we're going into Green Point because [FIFA President] Sepp Blatter says: 'I like Green Point,' not because it is the best thing for South Africans" (O'Conner 2010). In short, based on their operations, the requirements of elite athletics, and the special privileges given to sponsors, global sports events are "radically opposite to development [but rather] about sport and commerce" (Hiller 2000, 454).

7.1.2 ISI Commitment

If FIFA is not concerned with local needs, how do we explain its apparent commitment to global social development? Its mission statement proclaims it is “building a better future for the world by using the power and popularity of football.” President Sepp Blatter frames the organization as transcending mere recreation: “FIFA is no longer merely an institution that runs our sport. It has now taken on a social, cultural, political and sporting dimension in the struggle to educate children and defeat poverty” (FIFA 2010).

Yet experience does not suggest that ISIs are concerned with social legacies. A study of successful bids found that that technical capacity is the key factor for ISIs, including accountability, relationship marketing, infrastructure and existing facilities (Bob and Swart 2004, 1320). For example, the 2004 Olympics were awarded to Athens based on its familiarity with major events and availability of high-tech complexes; in contrast, its symbol-laden bid for the 1996 event, emphasizing its role as the birthplace of the modern games, had failed (Bob and Swart 2004). Similarly, to some observers, Cape Town’s 2004 Olympic bid was sabotaged by its development principles because they “served to alienate, rather than ingratiate IOC evaluators” (Bob and Swart 2004). Moreover, South Africa did not win the 2010 bid because it emphasized development; FIFA’s rotational system guaranteed a developing country would be host.

Two factors help explain why FIFA frames itself in this light, despite a seeming lack of practical commitment to development and incentives to protect its corporate partners. First, it may be motivated by a rising discourse on links among sports, peace and development. The United Nations declared 2005 the "Year of Physical Education," while the International Business Leaders Forum promotes the use of sport “to empower individuals, alleviate poverty, improve

health and create social change. A UN resolution recognizes the role of sports in moving toward the Millennium Development Goals (Hendricks 2008, 10). To signify its support of these goals, FIFA sponsored projects such as the Football for Hope campaign, aiming to build 20 sports centers across the continent.

In addition to altruistic ambitions, FIFA's philanthropy is a public relations strategy. Controversy surrounding such significant returns being accrued by a nonprofit organization and the conflict between traditionalist discourses of universalism and sportsmanship and its market-oriented practices contribute to a "legitimation crisis" (Alegi 2008; Bass et al. 2009, 6). The organization has also been vilified for its practices, earning characterizations as a "corrupt fiefdom rife with bribes and vote rigging" (Sole 2010, 1973). In response to such criticism, FIFA may seek improvements to its public image by aligning itself with humanitarian causes. Through this lens, it was not concerned at all with facilitating development in Africa; the continent simply offered a marketing opportunity to be exploited. The so-called "African World Cup," critics charge, was no more than the standard global operation "adorned with African accessories" (Ginsberg 2010). In this light, FIFA's rhetoric of development is at best a peripheral accoutrement and at worst a deceptive business strategy that creates false hopes and shields its true intentions.

7.2 Underlying Assumptions

This is not to say that the desire for socioeconomic transformation was insincere—at least on part of the South Africans who designed the bid. The reason the World Cup diverged from its initial visions also lies deeper in the genetic code of mega-events, whose fundamental assumptions about how to achieve growth render futile a vision of inclusive, pro-poor progress.

Faith in place-promotion prioritizes spending on image over more critical needs and distracts from necessary changes to fundamental constraints, while their sheer magnitude and one-time nature carry risk for public decision-making and democracy.

7.2.1 Priorities

Because mega-events function to “provide the host community with an opportunity to secure a position of prominence in the tourism market for a short, well defined, period of time” they create incentives to invest resources in targets related to image rather than longer-term needs for residents, representing significant opportunity costs (Hall 1989, 263).

Since infrastructure investments were shaped by visibility for tourists, the impoverished expanses that lack access to basic services were low priorities, reflecting how consumption-based strategies “skew the civic agenda to the detriment of fundamental municipal services” (Eisinger 2000, 323). Though media questioned whether South Africa would be ready for kickoff, there was never much doubt that the World Cup itself would occur. Rather, the question was how this would affect capacity and resources: “the World Cup projects will be finished on time, but the delivery of new schools, housing and clinics will not” (Rice 2007).

One of the most revealing examples of how spending on the World Cup necessitated cuts in sectors that are “indeed less prestigious, but which might answer the need of the local residents” is housing (Newton 100, 2009). The post-apartheid government has yet to deliver on its electoral promise of providing one million houses within five years, reflected by high levels of homelessness, unsafe living conditions and political disillusionment. It has been argued that funds allocated to stadiums would have built 90,000 new houses from 2006 to 2010. Similarly, it

has been suggested that over 200 Gauteng schools could have been funded with the money government departments spent tickets and paraphernalia (Flanagan 2010).

The president of the South African Students Congress (SASCO) captured the sentiments of many citizens when he commented that “We could have used the same money, energy, zeal and enthusiasm to provide water, electricity, houses and free education for millions of poor South Africans” (DuPlessis and Mbanjwa 2010). But this is not what a mega-event prescribes—its solution for growth is place-promotion now, with trickle-down benefits later.

7.2.2 Depth

It has been noted that the overall contribution of the World Cup to total GDP was relatively modest, reflecting that for the amount of money invested and attention consumed by it, the event nothing to affect more fundamental issues of how the economy functions or who can participate in it. Research indicates few naturally occurring trickle-down effects from mega-events. Moreover, since “execution is constantly endangered by finances, time constraints and politics,” it is problematic to “assume that income will materialize to advance the pro-poor agendas of service delivery and social dress” (Pillay and Bass 2008, 340).

Since effects are not “automatic,” and there were few active interventions to enable the poor to harness it, South Africa’s expectation that it would be a catalyst for expanding opportunities of the poor seems misguided (Coalter 2008; Hindson et al. 1994). Following the literature on human development, growth that does not expand the ability of the poor to participate in the economy will have little impact on poverty levels, particularly in an economy with such a wide chasm formal and informal sectors.

Moreover, because nothing about the event scratched below the surface, it did not change any of the underlying causes of the problems South Africa faces and instead distracted from the need to address fundamentals. Noted Mandela's wife in praise of the event: "Did you realize how our security and safety improved this month? Road accidents, criminals, everything dropped" (Smith 2010). But these were artificial improvements and drops, created by one-time investments with the goal of place-promotion.

Crime rates, for example, were held down by a significant increase in security measures, but these were mostly in tourist areas rather than impoverished areas experiencing highest crime rates and many of the new systems were too costly to sustain in the long-term; the justice system is still plagued by personnel and resource deficiencies. Economic forecasts note that investor confidence will continue to be shaped primarily by South Africa's economic fundamentals, from an official unemployment rate of 25% to government debt accounting for 30% of GDP (Polouektov 2010). Jobs created by stadium construction did not equip workers with skills for a globally competitive economy, while consumer spending will continue to be stifled by high household debt and unemployment that prevent the emergence of a strong middle class. Thus, while the World Cup made some contributions to the economic situation, the state cannot function much differently without "getting more of the basics right" (Pillay and Bass 2008). This situates mega-events as ineffective for any sort of significant impact, let alone transformation.

7.2.3 Risk

With regard to how public funds are spent and how communities are impacted, mega-events are in many ways riskier than other development initiatives because of their timeframe, uncertainty of returns, and sheer scope of capital flows. As a result, "the physical and economic

scale of many such events is such that whole nations may be affected in both the medium and long term by the success or failure of a single project" (Herzenberg 2010, 205).

Such projects have been described as "spongelike in character," with the tendency to absorb a disproportionate share of resources and attention (Eisinger 2000, 329). With nearly every government department involved, the World Cup was the singular focus of public priorities and discourse leading up to the event, distracting from other responsibilities and siphoning capacity. As Jordaan described, everything that happened in South Africa before the World Cup was conceived as directly connected to it. He stated, "When there are water shortages in Polokwane I must answer what is going to happen to 2010. When there are power outages [in the Western Cape] I must answer what is going to happen to 2010" ("Ticket Shock" 2007). With all eyes on the World Cup, other needs slipped off the agenda.

Additionally, the pressure of a one-time, high-profile event with mandates from an external organization compels officials to downplay public concerns or interests in order to meet specifications by a hard deadline. Officials framed issues in all-or-nothing terms, suggesting to constituents that they should stop slowing the implementation of plans with their protests, lest the community not be able to participate at all. This mindset is captured by a mayoral council member, who felt that "Cape Town has only one option as far as 2010 is concerned. Build a 68,000-seat stadium on Green Point or we won't get 2010"(Alegi 2008, 405). Similarly, since the poor are considered the "prime obstacle to the success" of consumption-based growth, the priority is to hide them from view for the international spotlight, rather than prioritize their long-term needs. Explained a councilor in Ellis Park: "We need to remove these people, allocate them somewhere else...In the city we only need people who are able to pay...You can't deal with 2010 if you still have these people in the street" (Bénil-Gbaffou 2009, 208).

Finally, the relative material and technical weaknesses of developing countries make such an endeavor more costly. The uncertainty of mega-events makes them a risky policy choice for resource-strapped nations because they follow “back-to-front thinking” that depends on the accumulation of resources that do not yet exist; that is, while developed countries can stage a mega-event due to a pre-existing level of infrastructure and quality of life, developing countries stage the event in order to achieve them.

Compensating for this gap requires relatively higher public spending to meet FIFA standards, with significantly higher opportunity costs when evaluated by value to society in addition to absolute costs (Baade and Matheson 2003, 15). South Africa spent an unprecedented percentage of its total GDP on the event, reflecting its relative resource shortage. The constraints that the developing country hopes to alleviate through the mega-event may also constrain the impact of the event itself. South Africa had to rely more on public sector spending than other event hosts, suggesting weaker private sector interest and capacity. Research finds that the beneficial impact of stadium development on the economy rises with share of private sector finance, but South Africa’s government footed nearly the entire bill. In contrast, private investors and soccer franchises funded more than 60% of German stadium upgrades. This puts the burden on an already weaker tax base to make up the difference (DuPlessis and Venter 2020, 10).

In terms of what was pursued and what was ignored, the inherent demands of the World Cup were antithetical to South Africa’s pro-poor ambitions, compelling decision-makers to prioritize spending on image rather than invest in basic needs and economic fundamentals. In spite of mega-events’ magnetic ability to mobilize attention and resources, they cannot produce more than meager changes with regard to economic growth and development, while their enormous scope and all-or-nothing discourse carries risk for democracy. On one hand, mega-

events by their nature demand a skewed application of public energies: "Preparing for a 'circus' when people need 'bread' will always appear inappropriate" (Hiller 2000, 456). Apart from this, though, it is the harm to political and economic empowerment implicitly required by fulfilling such demands that render mega-events incompatible with pro-poor growth. Thus, it is clear that the World Cup was an ineffective policy tool for fulfilling South Africa's established needs, but for reasons beyond South Africa's execution. If pro-poor growth and inclusive development were the cure for South Africa's ills, then a mega-event was the wrong medicine. The next section attempts to reconcile why, in spite of such a disappointing bottom line, elites pushed so vigorously for and the public for the most part embraced the promise of the tournament.

8. Why Did the Show Go On?

“If we can deliver the World Cup we will have finally dismissed the idea created by apartheid that there are greater and lesser human beings. We will be ready to take our place in the world.”— LOC Chair Danny Jordaan

“I was happy when I heard that they were going to build a World Cup stadium here, but it has not brought me the ‘change’ promised. At night I am blinded by hundreds of lights from the stadium and yet I use candles to light up my own home, how can this be fair? We are a community that loves football so and I go to the matches when I have money to buy the tickets and really enjoy it.”—Magwaza Msimango, traditional healer in Mastafeni

The rift between World Cup promises and outcomes was wide, with particular concern for equality and democracy, but these realities have been captured by previous host experiences and were articulated by South Africans. Therefore the question remains: given a priori indicators of high costs and marginal benefits, why was the event so eagerly vied for and executed? As noted, despite some anxiety about the event’s side effects and skepticism of its premises, the overwhelming majority of South Africans “had positive attitudes toward the event and perceived that it would leave positive legacies” (Chain 2009, 109). This section aims to explain support by elected officials and the broader public for what, according to a conventional cost-benefit assessment, was not in the country’s best interest. I have already discussed the straightforward appeals of mega-events, from stimulating the economy to creating “feel good” effects, but there seems to be more at play. I draw from four bodies of literature: public choice theory; crowd psychology; consumer psychology; and emotions and economic theory. Their contributions shed light on why political elites acted in violation of their commitment to public good, how the processes of collective decision-making distorted individual opinions, and why South Africans who bore the highest burdens with the fewest benefits seemed to nonetheless embrace the tournament.

8.1 Public Choice Theory

8.1.1 Concentrated Benefit, Dispersed Costs

Democratic governments are "mandated by their electorates to ensure that public spending contributes in a meaningful way to that country's development goals," while "providing festivals when people need bread is a dubious use of public resources" (Andranovich et. al. 2001, 127; Herzenberg 2010, 206). Public choice theory helps explain why political decisions result in outcomes that conflict with needs or preferences of the public. Central to this theory is that when benefits are concentrated and costs dispersed, the case with publically subsidized projects, outcomes desired by the narrow group are more likely to occur. Beneficiaries can wield disproportionate influence on decision-makers, while potential losers, often diverse and dispersed, have little ability to lobby the government as effectively. On the other hand, there is often collective action failure in groups opposing public subsidization, typically taxpayers who suffer disruptions without comparable benefits. Particularly in the case of subsidizing sports franchises, groups that stand to gain become politically active while opponents "frequently are poorly funded, disorganized and politically naive" (Siegfried and Zimbalist 2000,110).

In the case of the World Cup "power is disproportionately allocated in favor of FIFA and corporate entities to the detriment of host governments and their citizens" (Herzenberg 2010, 206). Corporate elites anticipating gains from event preparation, namely those related to construction, invested in influencing officials to execute the World Cup in their favor, aided by significant financial resources, access to media, and political influence. Similarly, citizens with more resources were better able to assert their interests during planning: "wealthier neighbourhoods threatened by construction projects for sporting mega-events are far more successful in asserting their citizenship rights to resist or alter development plans than poorer

communities" (Alegi 2008, 405). For example, while the mostly affluent and White citizens of the Green Point Common Association ultimately coped with an unwanted new stadium in their community, they did receive relatively significant concessions, such as the addition of a park within the complex to assuage concerns about building on the area's last "green lungs" (Alegi 2008, 404). Compared with the targets of sanitary eviction, this outcome was ideal.

8.1.2 Rent-Seeking

A related contribution of public choice theory is rent-seeking, in which public officials sought monopoly privileges by soliciting bribes or other benefits from awarding state tenders and procurement deals to private companies in which they have an interest (Herzenberg 2010, 6). Rent-seeking violates the public good by reducing efficiency and misappropriating resources, helping explain both drastic cost overruns and its failure to translate gains to broader impact. While mega-events offer "high-profile media exposure to local politicians and other notables" what was likely even more appealing were the payoffs, kickbacks and preferential treatment connected to tender procurement (Jones 2001, 856).

It has already been noted that ISI decisions are rife with corruption, but this is only the beginning. Once the country is granted hosting rights, the floodgates open wider. Large construction projects are particularly vulnerable to corruption due to their financial magnitude, which cloaks bribes and inflated claims (Herzenberg 2010, 6). The World Cup's complex decision-making structures and simultaneous projects exacerbated this, "with literally hundreds of contract services for each stadium and linkages that are too difficult to keep track of" (Herzenberg 2010, 6). Close ties between the ANC and corporations, with many former politicians heading the private sector, suggest elites imposed costs on taxpayers in exchange for

returns for themselves. The South African Auditor-General's office documents “significant overlap between public life and private business interests,” with 1,678 executive members and senior managers in national and provincial departments identified as directors in companies and close corporations (Herzenberg 2010, 6).

Foreshadowing what would occur, the Institute for Security Studies in 2005 predicted that the World Cup was in danger of "becoming a prime target for corruption, especially through tender fraud" (Herzenberg 2010, 14). Details remain shady—the LOC contends that as a private body it should not comply with public transparency requirements—but a few examples shed light on the scope of rent-seeking. In Durban, the preferred bidder for a R65 million entertainment contract seated the Chamber of Commerce president as a director. The Group 5/WHBO joint venture selected to build Moses Mabhida stadium counted as shareholders the Minister of Human Settlement and former head of the National Prosecuting Authority.

In addition to forthright bribes, another avenue for rent-seeking was abuse of the public bidding process, such as frequent use of an emergency provision to bypass official procurement protocol (Mbonambi 2010). Little competition in bids from the major construction companies raised concerns about cartel activities. For example, the South African Competition Commission accused the steel sector of inflating output prices by at least 20%—suspected to be responsible for rising costs of stadiums (Herzenberg 2010, 6). Though many such connections went unacknowledged, a few sparked enough concern for a response. Nationwide Security had its contract to secure the Nelson Mandela Bay Stadium canceled after accusations that the Deputy Police Minister had financial interests in the arrangement. Mbombela municipal manager Jacob Dladla was fired after being found guilty of fraud related to stadium tenders (Herzenberg 2010).

Corruption is certainly not unique to South Africa, part and parcel of mega-events due to concentrated benefits and complex structures. The son of the president of Germany's hosting club was convicted for receiving bribes worth over R30 billion, while India's 2010 Commonwealth Games were dominated by scandal, with watchdogs charging "not a single deal is without the taint of corruption" (Chakrabarti 2010; Herzenberg 2010, 8). Yet for the 2010 World Cup, rent-seeking took a particularly brutal edge. A contract killer accused an ANC leader in Mpumalanga of offering money and a government job to poison officials blocking access to tenders. In January 2009, the speaker of the municipal assembly, who threatened to come forward with evidence about corrupt stadium deals, was gunned down in front of his house (Molele and Wa Afrika 2010). While extreme cases, they indicate the extent to which perceived personal benefit from the tournament skewed officials' judgments about the public good.

8.2 Crowd Psychology

8.2.1 Uncertainty and Information Asymmetries

Behavioral economics suggests that insufficient or imperfect information contorts outcomes, and literature on group decision-making suggests that these conditions are aggravated on a collective level. The World Cup reflects these conditions because mega-events are in general unpredictable affairs and because members of the public were rarely included in or communicated with about event preparations. Individuals were also likely misled by overly optimistic messages from government statements, as "many of the elusive promises regarding community development with respect to the 2010 World Cup are propagated by official authorities" (Czegledy 2009, 243). The government, as the primary source of information about the event, enjoyed the ability to set the public discourse, especially in poorer and rural areas with

little access to alternative views. This reflects an information asymmetry, creating an imbalance of power weighted in favor of the party with more knowledge. Public officials were also to some degree misled by “dramatically skewed information” of initial predictions, particularly those detached from the national planning apparatus; by the time the truth came to light, permanent decisions had already been made (Du Plessis and Venter 2010, 10).

Without knowledge of critical details or comprehensive costs, people could not fully know how the event would affect them. Shifts in resident opinions over time suggest that with more information on costs and benefits, different conclusions were reached. In the first two years that the HRSC surveyed residents, the number of respondents who knew that South Africa was hosting the event jumped from 73% to 89%, and over this period the number of respondents who believed economic growth and job creation would result dropped from 62% to 51%. This was attributed to more visible planning and widespread debate, helping residents be "more realistic and discerning about their expectations" rather than "seeing benefits in broad, amorphous terms" (Pillay 2007). On the whole, however, the messages the public heard were enough to “make even the direst of skeptics distrust their resistance to the initiative” (Hendricks 2008, 3).

8.2.2 Peer Pressure and Herding Effects

Goals for the World Cup were most often discussed in terms of benefits to the nation as a whole. Yet it is individuals, not communities or societies, who actually make decisions, and crowds tend to come to different conclusions than individuals would on their own. As Durkheim describes, “in the midst of an assembly animated by a common passion, we become susceptible of acts and sentiments of which we are incapable when reduced to our own forces” (in Schwartz and Barry 1977, 641).

While many factors shape collective decision-making, particularly relevant to this case are peer pressure and herding effects. Facing conditions of uncertainty, people tend to be swayed by bits of information that do not accurately represent the full picture and by actions of those around them. The literature on “sunspots” argues that public signals act as coordination devices by serving as a focal point for the beliefs of the group as a whole, so that individuals put greater weight in these variables (Morris and Shin 2002, 1522). One result is being more likely to follow what they believe others are doing. The resulting herding effect, or peer pressure, is one reason why groups come to unwise decisions (Surowiecki 2005).

Based on messages from the government and depictions in the media, people likely perceived that the World Cup would unquestionably confer benefits and, moreover, that neighbors were equally enthusiastic about the promises, compelling them to set aside individual qualms and embrace the national project. This is exacerbated by the perception that sports are apolitical; as a result, fans "more readily embrace the concomitant sports creed" and are less likely to question them (Lipsky 1981). This combination of factors helped convince “otherwise sober people to suspend their critical faculties” (Black and van der Westhuizen 2004, 1195).

8.3 Consumer Psychology

8.3.1 Conspicuous Consumption

Another contribution of behavioral economics to why South Africans paid so much money for a lavish spectacle with little material benefit deals with the symbolism of spending. Economists increasingly acknowledge that consumption is driven not only by function, but by symbolic value (Berger and Ward 2010). Veblen’s concept of “conspicuous consumption” suggests people pursue certain goods because of association with higher status, though cheaper

ones may be of equal utility (1899). Viewing the World Cup as a good to be acquired and displayed, “South Africa spent a whole lot of money on a nation’s equivalent to Chanel’s latest ‘it’ bag” (Yang 2010).

The literature finds that conspicuous consumption is more common among poor people, with fewer non-financial assets increasing desire for objects that indicate luxury, thought to “reduce dissatisfaction they feel with their current level of possessions” (Berger and Ward 2010; Chandon and Ordabayeva 2010). Illustrating this, Blacks and Hispanics in the United States are found to devote larger shares of their expenditure to visible goods like clothing, jewelry, and cars than comparable Whites (Charles et al. 2009). Another study finds rural Indian families may spend more than six times their family’s annual income on their daughters’ weddings, often forcing them into destitution and bonded labor, to signal their ascendancy to the community (Bloch et al. 2004). Just as poor consumers are more likely desire goods that suggest material worth, developing countries use mega-events “to compensate for the lack of sources of power and influence in the international sphere” (Cornelissen and Swart 2006, 111).

8.3.2 Symbolic Spending

Brands associated with “elite power and privilege” in developing countries are most always of foreign and Western origin, which sheds light on the psychological disposition of South Africa elites. Faced with the “residual legacy of apartheid-era ostracism,” since democratization they have seemingly tried “twice as hard to impress internationally” (Black 2007, 265; Van der Merwe 2007, 69). In this sense they were driven to stage a luxurious event to overcome a sense of inferiority and integrate themselves into the global economy. Signals from consumption can “construct and maintain symbolic borders” or serve as a “fence or a bridge”

(Berger and Ward 2010). South Africans hoped to do both, distinguishing themselves African marginality and asserting themselves a more relevant power. This aligns with research on sports franchise development, which finds supporters believe bringing in new teams validates the worth of the community as a “major league” city (Siegfried and Zimbalist 2000, 99).

The goal of proving international worth by “mimicking the North's advanced infrastructure for a luxury mega sporting event” was thus another major source of significant investments at the expense of basic needs (Cottle 2010, 8). Spending on status is certainly a costly signaling device. Frank finds that status-related expenditures often siphon from healthcare, education and savings, while Belk notes that developing nation consumers often indulge in conspicuous consumption before adequate food, clothing and shelter (Belk 1988; Frank 2000). It is charged that the World Cup was designed for the affluent, based on who accessed and benefited, but it may be argued that this was an intentional message. Showing it can devote funds to an elaborate luxury suggests it is worthy of the major leagues, rather than merely another resource-strapped, small-scale African nation. For some observers, this was nothing new. South African elites have a tendency to pursue image-enhancing “vanity projects” as a means for promoting economic development despite “often tenuous evidence” about their benefits. To this end, the World Cup has been accused of being “another arms deal,” referring to the notoriously expensive 1998 defense package that now symbolizes the ANC’s propensity for misguided spending based on considerations of image (Sole 2010, 171).

Pressure to impress abroad in this sense compromised officials’ agency, forcing them to consciously violate duty to the public interest. A Cape Town official summed up: “Under normal circumstances we would not be able to justify putting money into one of the wealthiest precincts. But we are doing it to make 2010 a success” (Alegi 2008, 405). FIFA and international media

exacerbated the desire to please by “combining the doubts of Afro-pessimism with self-doubt redolent of postcolonial insecurities” (Czeglédy 2009, 232). Take for example the veiled threat of Blatt’s comment that “South Africa needs a perfect organization to show the world it is possible to do it here,” suggesting low expectations. Such messages were aggravated by rumors FIFA was preparing Australia as a “Plan B” (Cornelissen and Swart 2004, 117).

8.4 Emotions and Economic Theory

8.4.1 Joy and Escapism

While elites embraced the strategic power of the mega-event to signal an ascendance, members of the public, particularly those at the bottom of the political and economic ladder, interpreted the World Cup in more raw emotional terms, as a means to escape everyday realities and compensate unfulfilled desires for transformation. Thus the role of visceral factors or “passions” in decision-making, related to the sociological power of sports and particularly soccer in Africa, further explains support for the event (Lowenstein 2000, 426). A growing body of economic literature suggests that emotions can propel behavior in directions different than those dictated by long-term costs and benefits (Lowenstein 2000). Sports, particularly on the scale of hallmark events, have a tremendous capacity to generate the emotion of satisfaction, which seemed to play a significant role in building support for the games (Elster 1998, 54).

More than mere entertainment, sports have been described as “magic elixir that feeds personal identity while it nourishes the bonds of communal solidarity” (Lipsky 1981). Gruneau has called sports a “civil religion,” and due to their provision of symbolic refuge, Marx might have deemed them another opiate of the masses (1999). The experience of “intense rituals, charismatic leaders, magical performances [and] ultimately, victory” compensates for

“deficiencies of and disenchantment with the wider society” (Lipsky 1981).

Thus, at a basic level, the World Cup provided citizens with injection of joy and respite from the hardships of everyday life. The chance to celebrate their favorite sport was enough to override some concerns about its costs and inequities. Elster describes that individual welfare can be improved in the short term through “hedonic, pleasure-seeking mechanisms” (2010, 22). Through this lens, the World Cup was not simply a circus imposed by leaders, but a welcomed distraction “from the dreary routine of their lives” (Crompton 2004, 50). The celebration also displaced the typical pessimism of public discourse. As Pillay sums up, "As a country we are never going to close ranks on politics, economic plans or foreign policy. But we are mad about sport, so there is no argument about hosting the World Cup. We all want it" (Rice 2007).

8.4.2 Aspiration and Desperation

More than simply seeking a diversion, however, South Africans also saw the event as a place for their material and symbolic aspirations. Through the view that poverty reflects an “aspirations failure,” or a gap between what people desire and what they can access, South Africa’s poor saw the World Cup as a chance to transform their quality of life, seeing it “as an occasion when fortunes can and will be made” (Czegledy 2009, 241; Ray 2003). Thus, another psychological impulse that helped overshadow cost-benefit assessments was aspiration.

The event’s utility in housing aspirations is documented by the spatial and racial contours of expectations. In the Free State and Eastern Cape, about 70% of HSRC survey respondents believed infrastructure improvements would be pro-poor, versus fewer than 40% in Gauteng and the Western Cape (Bob et al. 2009). Only a quarter of Black respondents did not expect personal benefits from the event, versus 69% of White respondents. More Black South Africans also

believed the World Cup would bring long-term benefits (Pillay 2006). This does not only capture the resonance of soccer with Black communities and rural areas, but their more precarious economic situation. Czegledy suggests that the greatest leaps of faith occurred for those with the most to gain in: “The less you have, the more you can hope for, and the greater your expectations of benefit” (2009, 242).

Grandiose aspirations were also reflected in a series of pre-event interviews with street traders in Johannesburg. Sense of certainty of benefit is captured by a flyer passed out asking: “R48 000 000 000.00—How much of it do you want?” Nearly all anticipated a boost in sales, such as increased pedestrian traffic for hawkers, but many also dreamed bigger, of opening restaurants, bed and breakfasts, and other “fully-fledged commercial operation with formal premises and employees” (Czegledy 2009, 241).

A related idea is that “interactions between nations, cultural exchanges” would connect South Africa’s poor with a broader and brighter community (Czegledy 2009, 242). Nearly three-fourths of survey respondents believed a benefit of the event would be that “disadvantaged people can experience the glory and glamour” (Chain 2009, 100). In understanding why this is important, we can apply the “cultural function of celebrity,” which suggests people link themselves to notable strangers in response to isolation and loneliness, in return for “affirmations of belonging, recognition and meaning.” For the South Africans most detached from the images on their television sets and magazines, the World Cup was a collective celebrity, soothing their sense of marginality with “illusions of intimacy” (Graeme 2004, 91-94).

In another light, these expectations might better be described as desperation. Amid growing frustration with life prospects and the failure of the post-apartheid state to deliver on transformative promises, they were eager for “something to believe in,” even if it was an illusion

(Czegledy 2009, 241). The World Cup did not help traders enter the primary economy or meet other economic expectations, did not increase international access outside of tourism encounters and perhaps some foreign press, and created additional burdens. Yet from an emotional point of view, investing in the World Cup was not an irrational choice. Rather, it represents “wishful thinking,” a type of cognitive dissonance. Supporting the World Cup was a form of short-term optimization: "Believing what one hopes, wishful thinking, does at least provide immediate gratification, however bad the subsequent consequences" (Elster 2010, 222).

I have presented a number of explanations for the push and pull of the World Cup. Political and economic elites were driven by opportunities for personal profit, enabled by concentrated benefits and avenues for rent-seeking, and the psychological desire to showcase prestige. South Africans were influenced by inaccurate information and peer pressure that compelled them to set aside critical facilities. Those on the economic and political margins in particular embraced the World Cup as a source of gratification and escapism, a tangible if illusionary signal of progress. The strength of these forces to overshadow evidence of mega-events’ high costs and meager benefits suggests they will continue to consume national resources, with promises exaggerated and criticisms silenced.

9. Conclusion

9.1 Summary of Key Findings

This study was concerned with the outcomes of mega-events on economic development and effect of their processes on marginalized communities. I have established that in the face of apartheid's enduring structural and spatial legacies, South Africa has embraced a pro-poor approach to growth, considered necessary to overcome constraints on economic growth and empower people to participate in it. Among the many economic, political and social reasons for which the 2010 World Cup was pursued, employing it as an instrument for broad-based development was a major goal. This situates South Africa among a growing tide of developing countries turning to consumption-based strategies.

Official plans and public discourse focused on the tremendous benefits the World Cup would provide for all South Africans, with an emphasis on the historically marginalized. While not everyone bought into these promises, the overwhelming national mood was that the World Cup would provide South Africans an economic windfall while celebrating a beloved pastime.

However, my examination of ex post outcomes and processes of the World Cup suggests that while mega-events pique international interest and improve reputations, with the potential to benefit the economy through tourism and FDI, beyond this their impacts are temporary and narrow. Where the World Cup would in principle remedy apartheid's legacy on employment and infrastructure, it delivered either negligible results or exacerbated inequality by distributing benefits along pre-existing lines of privilege.

Beyond this, the World Cup was damaging to aspects of economic and political empowerment, in violation of its pro-poor imperatives. I conclude that the World Cup did not achieve what it intended, at best furthering gains for a concentrated elite. It did so at significant

costs to the rest of society—absolute financial costs, opportunity costs of not investing in more basic needs or deeper changes, and social costs to economic and political processes.

These results are particularly significant because they situate the World Cup as a symbol for, and cause of, the broader South African experience on two critical dimensions. The narrow accumulation of World Cup benefits strengthens growing income disparity in what is already the most unequal country in the world. On behalf of the poor, a sense of exclusion and dashed hope reflects growing disillusionment with the ability of the post-apartheid state to deliver on promises to rectify historical legacies. Thus it seems the World Cup not only failed to fulfill its transformative goals, but made them even harder to achieve.

In examining why realities were so detached from stated ambitions, I have identified the profit motives of FIFA and the underlying assumptions of mega-events. FIFA and its corporate partners are concerned with generating maximum revenues rather than sustaining local legacies. Mega-events as instruments for growth are inherently risky and their priority on place promotion skews the civic agenda to investments in an appealing image without addressing the fundamentals of development. The combination of misdirected attention and investments, along with violation of critical economic and political processes, render the World Cup an ineffective tool for pro-poor development. While I have focused specifically on FIFA and the World Cup, we can consider these to be general lessons about ISIs, based on their reliance on profit-oriented corporate partners, and mega-events, based on their emphasis on place-promotion and one-time, high-profile nature.

Finally, this thesis has shed light on why, despite exorbitant costs for meager and sometimes harmful effects that work against established pro-poor policy needs, more countries than ever are competing to host global games. I looked at forces that made the World Cup an

appealing endeavor, the types of information that shaped peoples' perceptions, and the way that decisions were achieved on the aggregate level. Political and economic elites were driven by opportunities for personal profit and desire to overcome a sense of inferiority, and while the public was influenced by inaccurate information and peer pressure effects, nonetheless embraced it as a source of escapism to mitigate frustration with their qualities of life. These conclusions are drawn from broadly applicable literature, and thus may be generalized to the larger question of why elites and publics will continue to vie for mega-events.

9.2 Implications of Research

9.2.1 Development Actors

From this discussion, it seems we can add a new actor, ISIs, to the growing ranks of institutions that influence development. A number of connections can be drawn between FIFA and international financial institutions (IFIs), particularly their propensity to impose significant demands to ensure their goals are met. Like IFIs, ISIs impose strict regulations and seek influence that transcends their primary mission into domestic civil and judicial spheres. In effect, FIFA imposes conditionalities on host nations, just as IFIs impose them on borrowing nations, prompting behavior perhaps not in the countries' best interests.

In another similarity, in spite of enormous influence over decisions about domestic spending, ISIs and IFIs are not accountable to the communities they affect. Their immense power, based on insular operations and the promises of what they represent, enables them to invoke decisions in their interest without much resistance. As a result of external actors setting the agenda, democracy is compromised. Finally, both prioritize outcome over process. All else is subordinate to the end goal, even losses of legitimacy and public trust. I am not suggesting that

the World Cup was merely imposed on South Africa without its consent. As I have argued, political and economic elites actively embraced its prescriptions, and the majority of the population was excited to celebrate. Nonetheless, this was a top-down imposition with little feedback or accountability.

In one sense, FIFA is simply another coalition of affluent actors that imposes views on less powerful ones. Yet in other ways FIFA is more dangerous than other conveyers of development because it is less flexible, more imposing, and more concerned with self-interest: “It would be highly unrealistic for an international development agency, like the World Bank, to blatantly infringe on the national sovereignty of its member states by mandating them to make luxury infrastructure investments with their own national resources and extract revenue flows from such investments” (Kaufmann 2010). In this light, what FIFA does is unique and worthy of attention; the power of its product cloaks its true intentions, as it claims to deliver football and development to the world when it merely wants to profit from it.

9.2.2 Mega-Events

It is unlikely that accumulating examples of mega-events not delivering on promises will compel any shift in behavior from ISIs or states. The body of work that already exists has done little to curb this trend—more developing countries than ever are vying to become hosts. As a fundamentally capitalist enterprise, FIFA will continue operate the World Cup in the interest of maximum returns. While governments should in theory be more concerned with how mega-events distort their economy and democracy, they will continue to be attracted to sports’ power as a signaling tool and the personal gains to be accrued. Perhaps it should not be surprising that this is the case. Across all sorts of institutions, we see funds channeled to sports and other leisure

activities over other seemingly more reasonable priorities. Take for example the case of American universities expanding athletic programs while cutting teaching and research budgets. If universities stray from their primary mission, why not countries?

Still, within the existing mega-events paradigm, the South African experience offers a number of lessons that may help ensure expenditures are better suited to the public interest. A number of those in the sports community have long demanded reforms to ISI behavior, namely more transparency in decision-making and safeguards against corruption. On the government end, it is recommended to strengthen procurement and oversight processes that better acknowledge the challenges of accountability and lure of fraud in mega-events. Other improvements include better access-to-information laws and protection of whistle-blowers. More fundamentally though, governments will need to better enforce the principles of the public agency and long-term sustainability, and this is largely counter to how mega-events operate.

So long as mega-events continue to be staged and their list of hosts diversified, it may be possible for marginalized communities and their advocates to employ them to amplify their own voices. Already this has been seen in examples like China, where protesters used the 2008 Beijing Olympics to publicize human rights abuses; in South Africa as well, some grassroots NGOs attempted to use the international stage to press for their interests, though in both cases efforts were diluted by lack of funding and government repression. Perhaps the unique endowment of mega-events to mobilize attention and resources can be oriented to a broader range of interests. The idea of using the public spotlight to address problems within a host country seems antithetical to the goal of place promotion, but may hold political benefit. If officials can cultivate events that in practice cater to public needs and desires, they will likely

solidify support rather than risk the backlash of unmet expectations, and will leverage scarce resources to provide tangible and sustainable benefit rather than brief spurts that fizzle away.

9.3 Limitations of Research

The inevitable limitations of time and location have restricted this study. Due to the proximity of the subject to this writing, not enough time has passed to calculate whether intended effects materialized, since many were not intended to occur in the short-term. As a result, very little concrete primary data exists. Additionally, very few academic analyses have been composed, resulting in a scarcity of independent evaluations. Most existing assessments of the World Cup's effects come instead from government reports, economic forecasts and newspaper articles. The former is most always exaggerated, while the latter two, though useful meters of immediate reactions and public sentiment, are by nature brief and simplified accounts that draw often from optimistic official statements. Data is also limited by lack of transparency on behalf of event organizers, such as unavailability of the official Bid Book. Estimated costs and benefits are thus drawn from a number of sources, sometimes involving different definitions or measures.

A further limitation of assessing outcomes is the question of causality. It cannot be assumed that outcomes did or did not occur merely because an event was staged concurrently. Plenty of more powerful economic forces constrain and overshadow the impacts of a mega-event, and this larger context must be taken into account. There are also an infinite number of counterfactuals that can be posed. Would the material benefits for the host be higher were it not preparing for the event in the midst of a global recession that thinned leisure travel, one of mega-events' critical ingredients? Did surveys capture citizens' dissatisfaction with government

because of backlash from the World Cup or because a massive public strike was taking place when interviews were conducted?

From a conceptual angle, while this study attempts to highlight the effects of a global event on disempowered communities, by virtue of their marginality it is difficult to accurately gauge opinions and outcomes, which are not the focus of most impact studies or macroeconomic indicators. Future analyses would benefit from in-depth surveys and interviews. To determine the event's impact on local economic factors, it would be important to separate personal judgments from material effects. For instance, a street trader who believed the World Cup would help him start a formal business may call the event an astounding success because it was a month-long celebration of his favorite sport, despite the fact that his initial expectation was never achieved. This speaks to the confounding tension between process and outcome that this thesis has explored. If someone is happy because of an event, and satisfaction is a critical component of human development, is that an unworthy result? Or are results only meaningful for human development if they affect peoples' access to opportunities and increase their ability to fully participate in society? There are no right answers, and these questions will continue to be grappled with by the ever-expanding ranks of actors involved in development.

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