

Urban development and poverty alleviation – legacies of the 2010 World Cup?

Social science that makes a difference

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1968-2008



HSRC
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Research Council

“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”

Mbhazima Shilowa

Gauteng Premier, June 2007

Introduction

- 2010 has focused the spotlight on cities
 - Ability and readiness
 - Infrastructure, service delivery
 - Legacy
 - Implications for poverty reduction
- Yet, care must be taken not to over-inflate legacies
 - Impacts can be quite circumscribed



Development Implications of Mega-Events: International Reflections

- Growing scepticism
- Some positive economic and legacy impacts
- But the urban economic impact is variable, intangible and ambiguous
- Gap between actual and predicted impacts

Lessons from the 'Developed' World

- 1976 *Montreal Olympics*
 - Long term economic consequences
- 1992 *Barcelona Olympics*
 - Regarded as success BUT increases in food, services, transportation costs and job creation mostly temporary
- 1994 *USA World Cup*
 - Instead of \$4 billion gain, host cities experienced \$5.5-\$9.3 billion losses
- 1994 *Lillehammer Winter Olympics*
 - Reduction in employment in non-host cities
- 2000 *Sydney Olympics*
 - Aggravated existing housing gap
 - Homelessness & housing social problems increased
 - Job creation = temporary

“providing festivals when people need
bread is a dubious use of public
resources”

(Andranovich, Burbank and Heying, 2001)

Upcoming in the Periphery

- Beijing: 2008 Olympics
- South Africa: 2010 FIFA World Cup
- India: 2010 Commonwealth Games
- Poland & Ukraine: 2012 UEFA Football Championship



Issues for consideration in the Periphery

- Place promotion
 - Stereotypical media images
- Infrastructure and facilities development
 - Displacement of social spending
 - Maintenance costs borne by tax-payers
- Job creation
 - Temporary
- Tourism benefits provisional
 - In 2002 South Korea received the same no. of tourists as in 2001

2010 & Urban Development

- Key national imperative
- Opportunity to fast-track development impetus
- Huge public works programme
 - Stadium construction
 - Infrastructure upgrading
 - Integrated public transport system
- Spin-offs potentially immeasurable
- ***Pro-growth versus pro-poor***



Key Questions

1. What are the **current capabilities of**, and what is the **state of readiness** among South African cities?
2. Can urban development and renewal be **fast-tracked** and how?
3. Is it possible that growth and equity issues become **reinforcing** concepts?
4. How can a well-grounded programme of urban development take root and be sustained, with multiple **spin-offs for all**, particularly the poor and marginalised?
5. What are the **public perceptions** of readiness, benefits, disadvantages and the legacy of hosting the event?

Insight into Development Prospects to South Africa



Development agenda would include:

- Construction of facilities in disadvantaged areas
- Sport programmes
- Job creation
- Provision of affordable housing
- Small business support
- Transport integration
- Township renewal
- Black economic empowerment initiatives
- Community participation



- Yet 2010 is not a pro-poor approach
- Questionable assistance with housing provision
- Stadiums/ training facilities
- Job creation
- Trickle-down effect
- Rising food and transportation costs
- Social cohesion/ integration unlikely
- Transportation, infrastructure, service provision highly centralised
- 2007: Total allocation = R17.4b (R8.4b for stadiums and R9b for transport infrastructure)
- 2007: Public Transport Action Plan
 - Outlines plans for integrated rapid public transport network in 9 host cities by 2010
- 2008: Trevor Manuel, Budget: R11b – assist larger cities modernise public transport
- Infrastructure conundrum
- Current account deficit

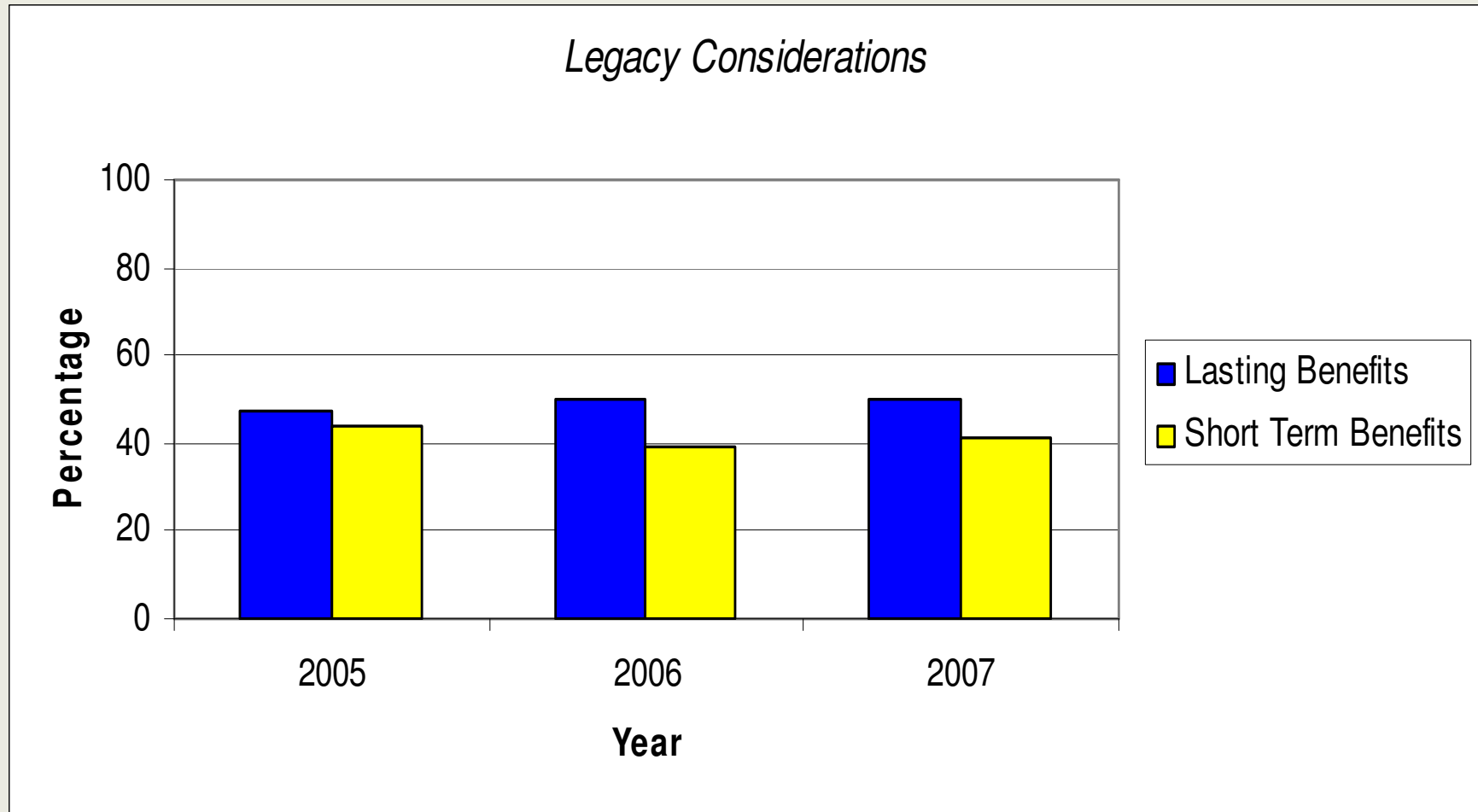
Legacy Matters!

- Legacy is “part of the ‘known unknowns’ of the sports mega-events”

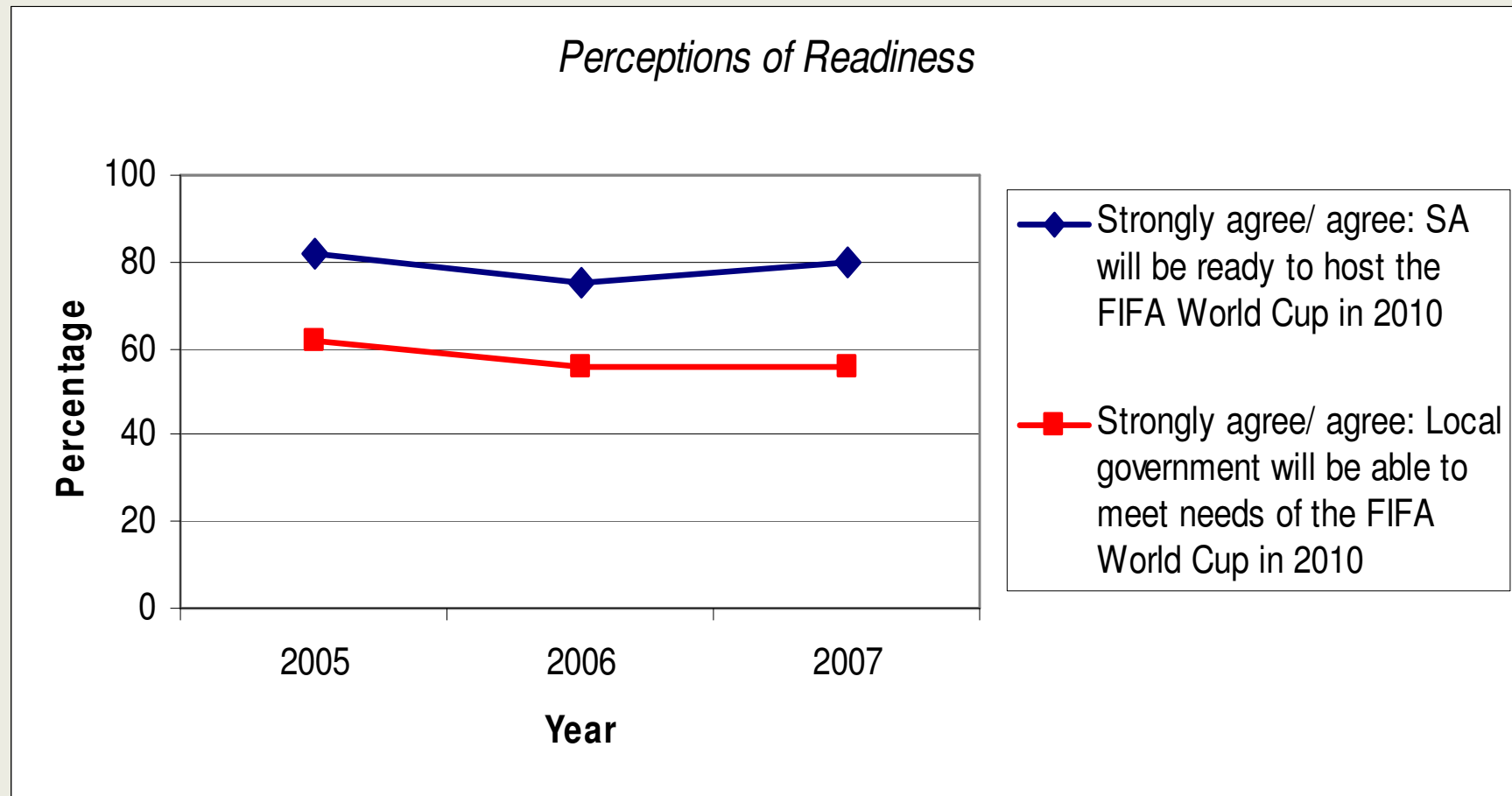
(Horne & Manzenreiter 2006:9)

- Cautious of viewing legacy in strictly pro-poor terms
- Necessary to arrive at national consensus of kind of legacy is realistic
 - 2010 Annual longitudinal survey (SASAS)
 - Understand public thinking
 - Need to be constantly measured and analyzed
 - Inform the developmental agenda
 - Continue over time

Legacy (National)

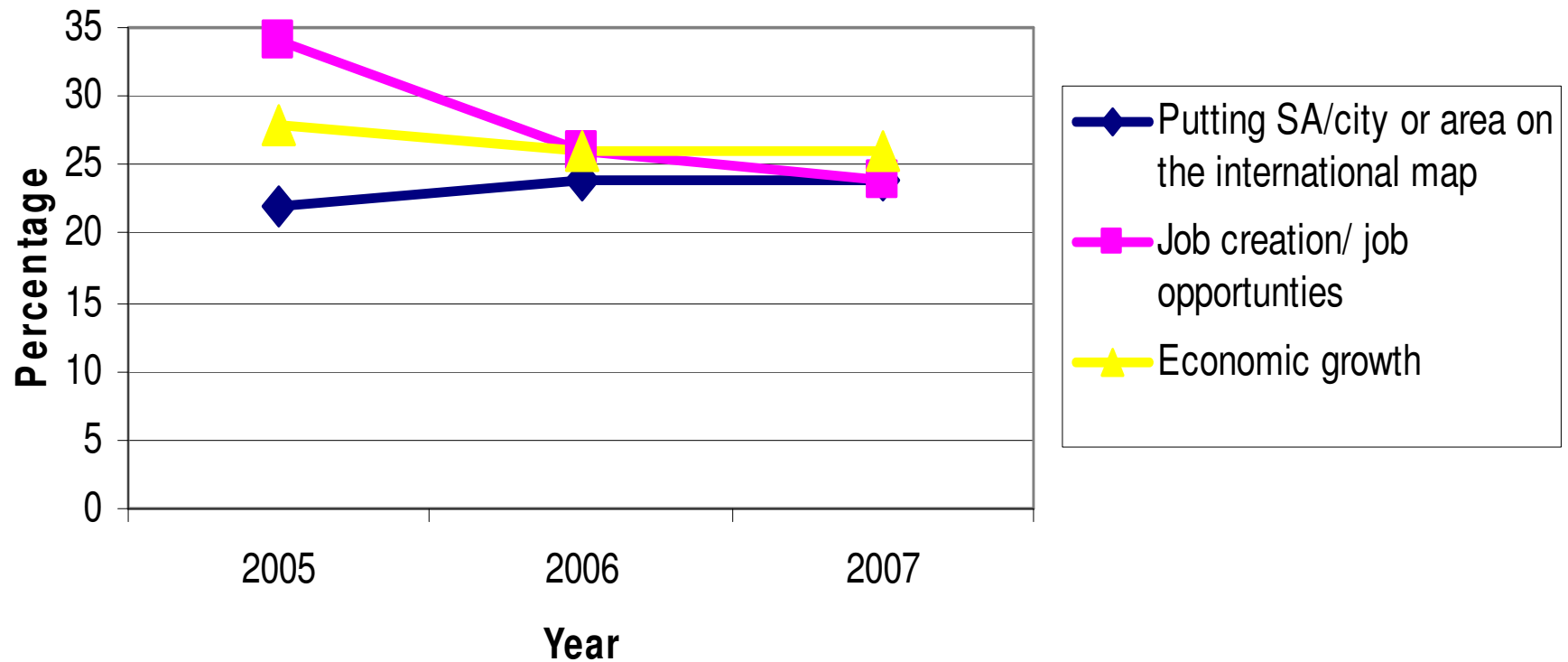


Perceptions of Readiness (National)



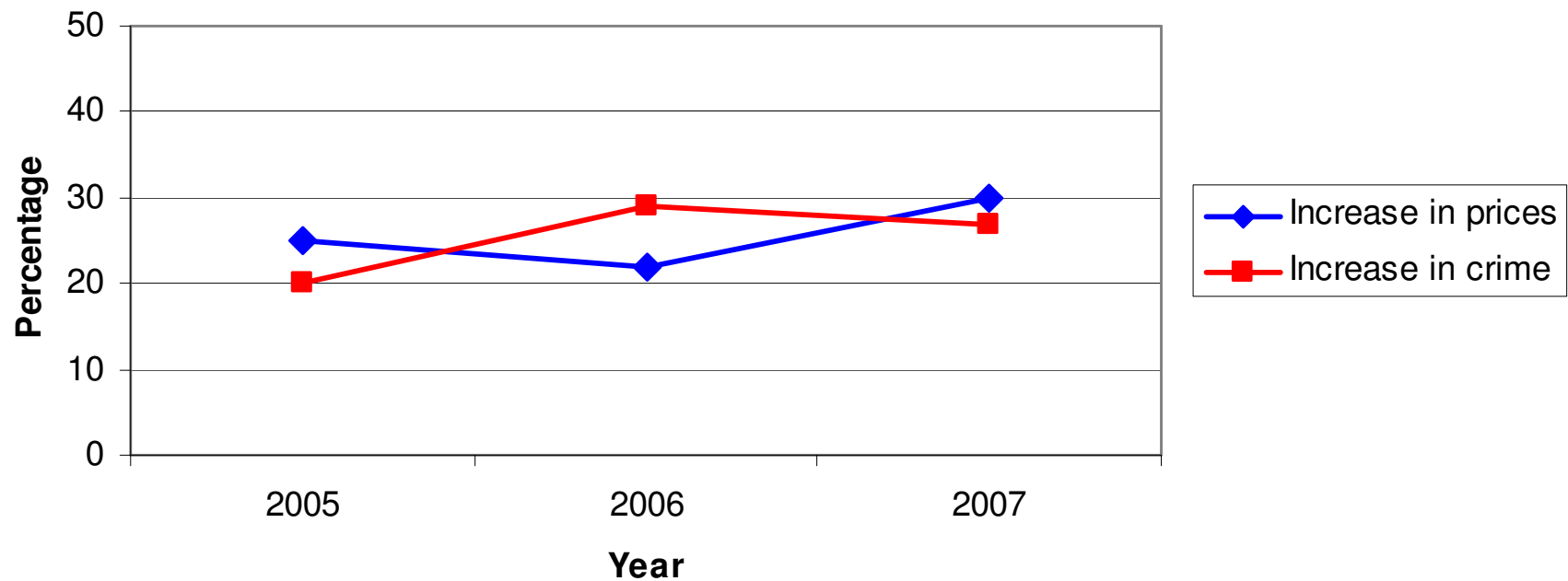
Benefits (National)

Benefit for SA of hosting the 2010 FIFA Soccer World Cup

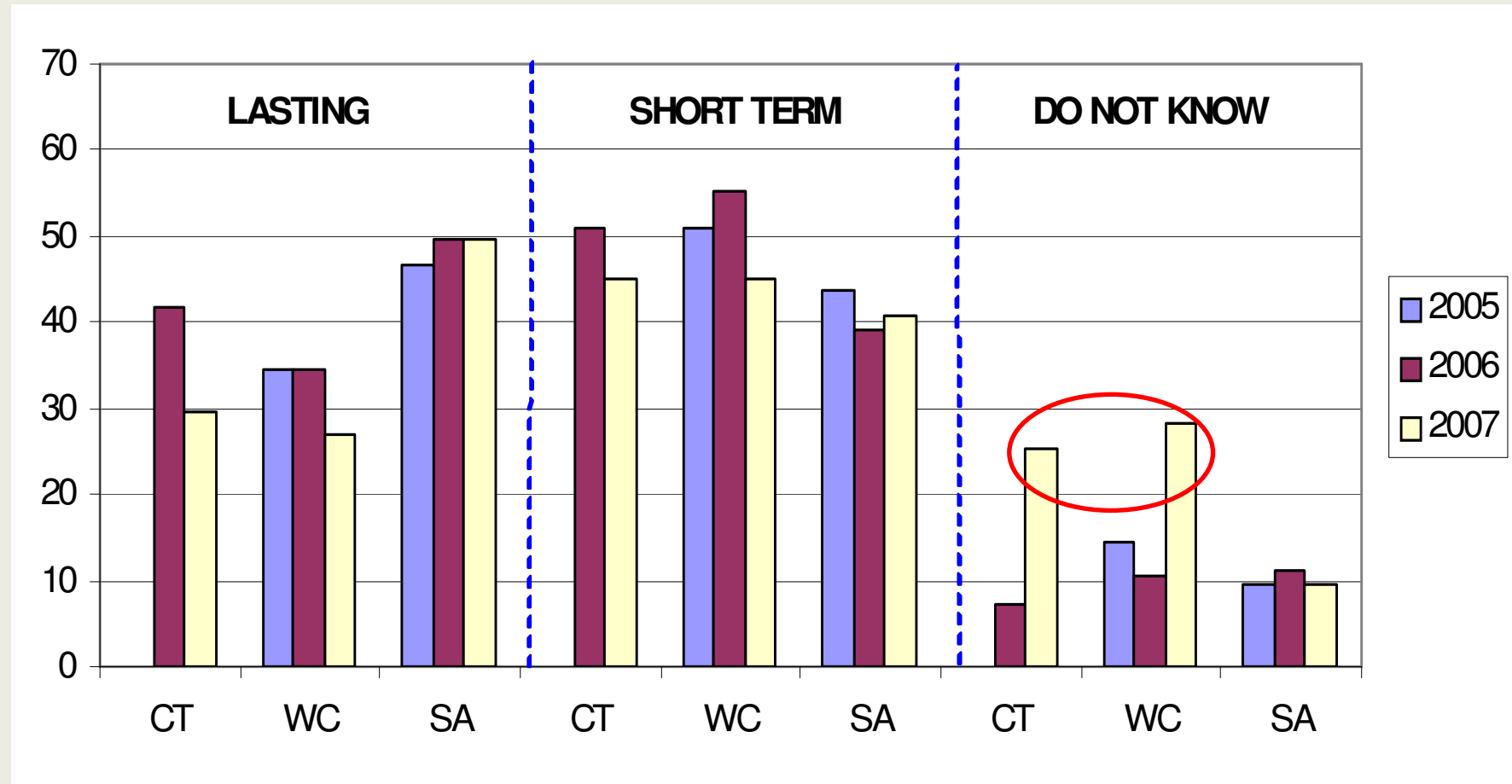


Main Disadvantages (National)

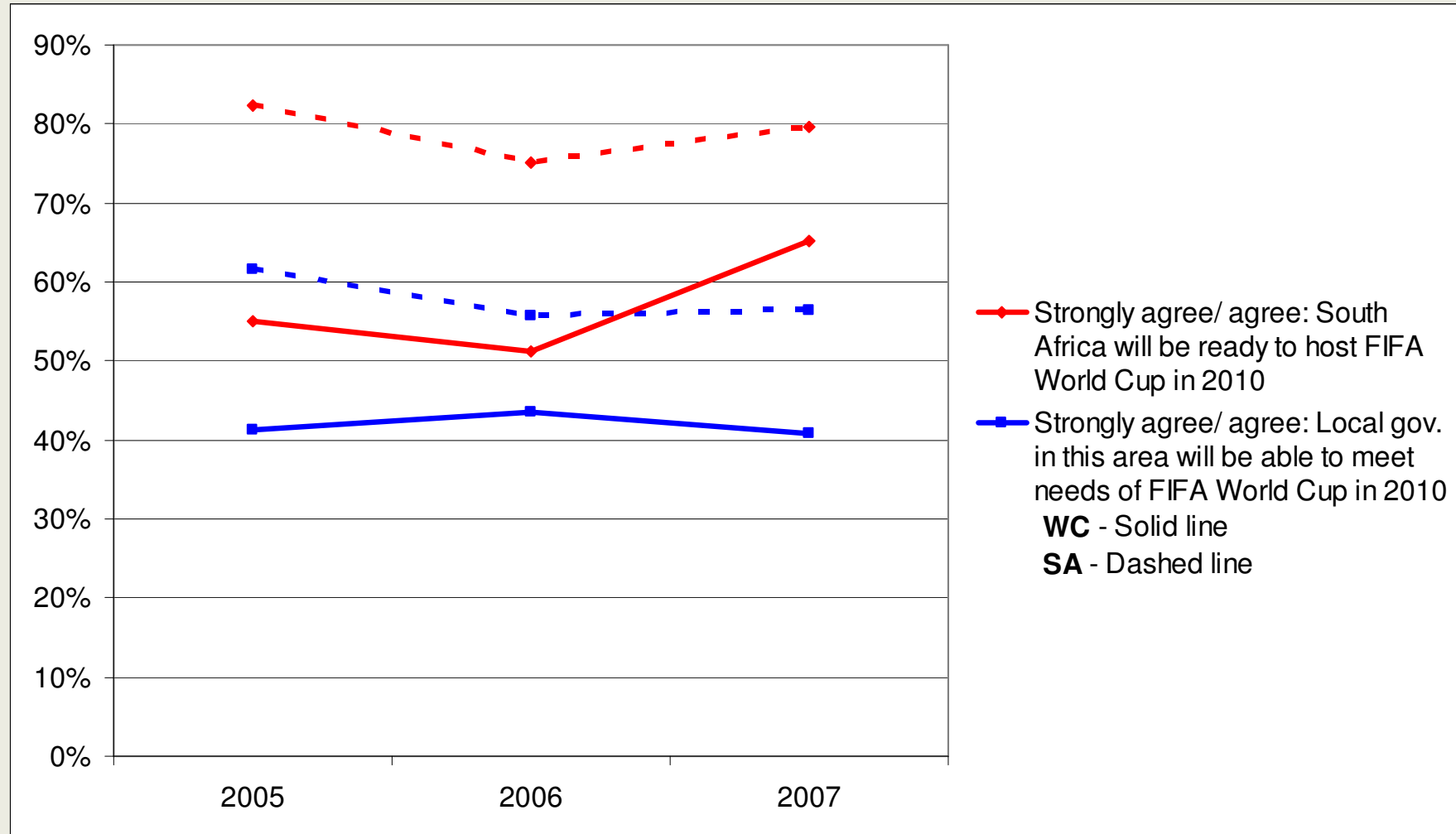
Main Disadvantages of South Africa Hosting the 2010 Soccer World Cup



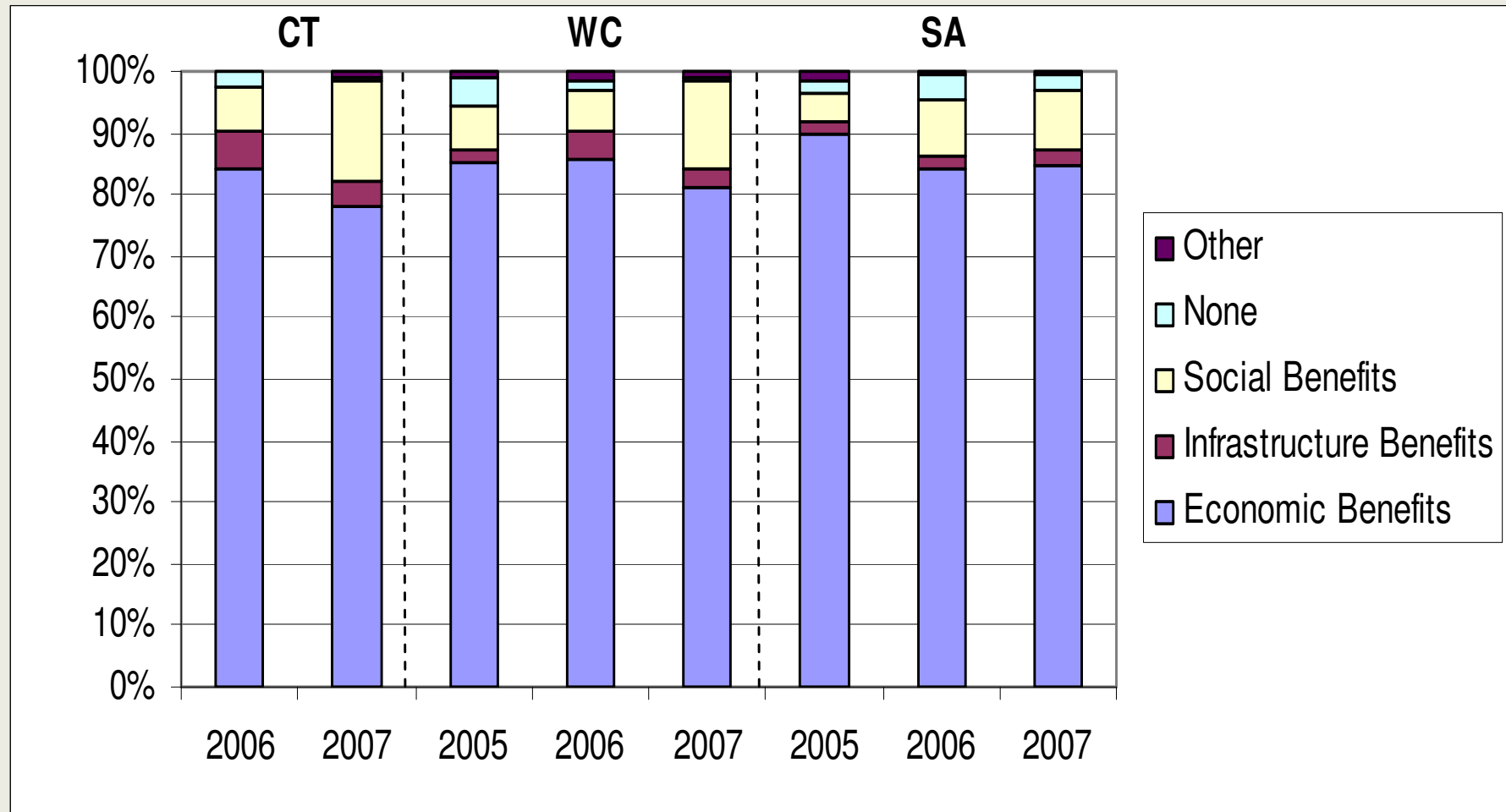
Legacy Considerations (National, Provincial and Host City)



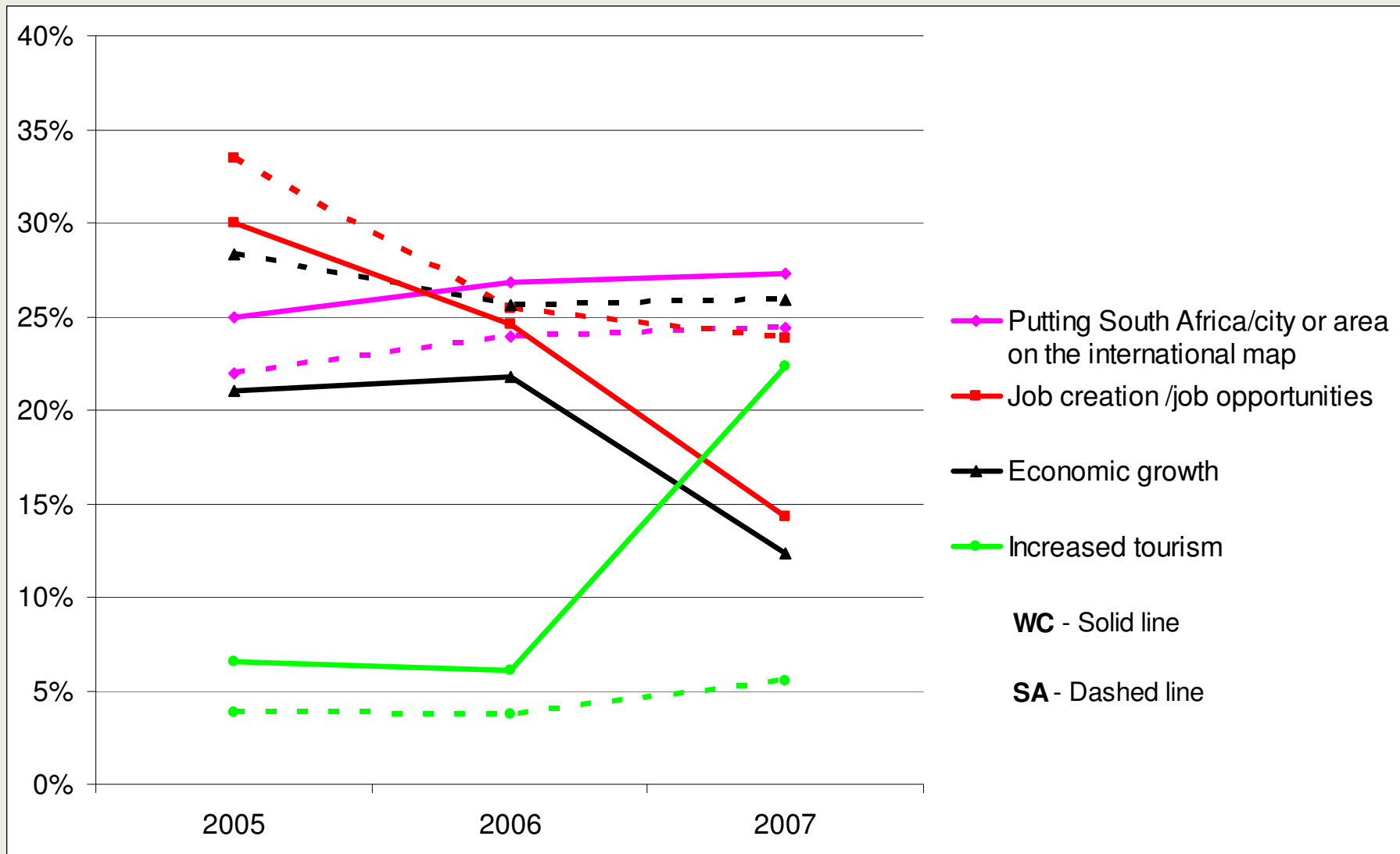
Perceptions of Readiness (National versus Provincial)



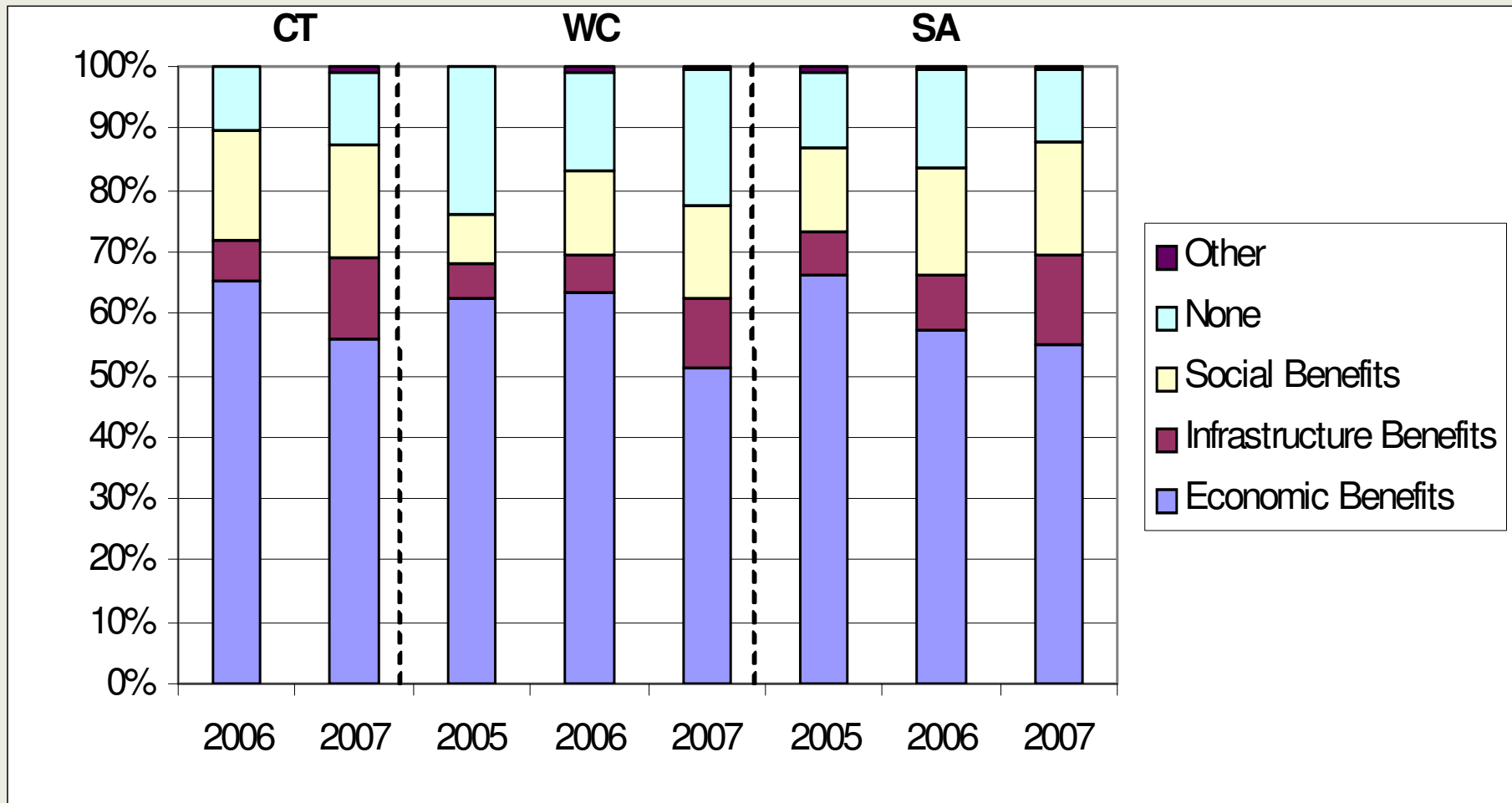
Benefits for South Africa (National, Provincial and Host City)



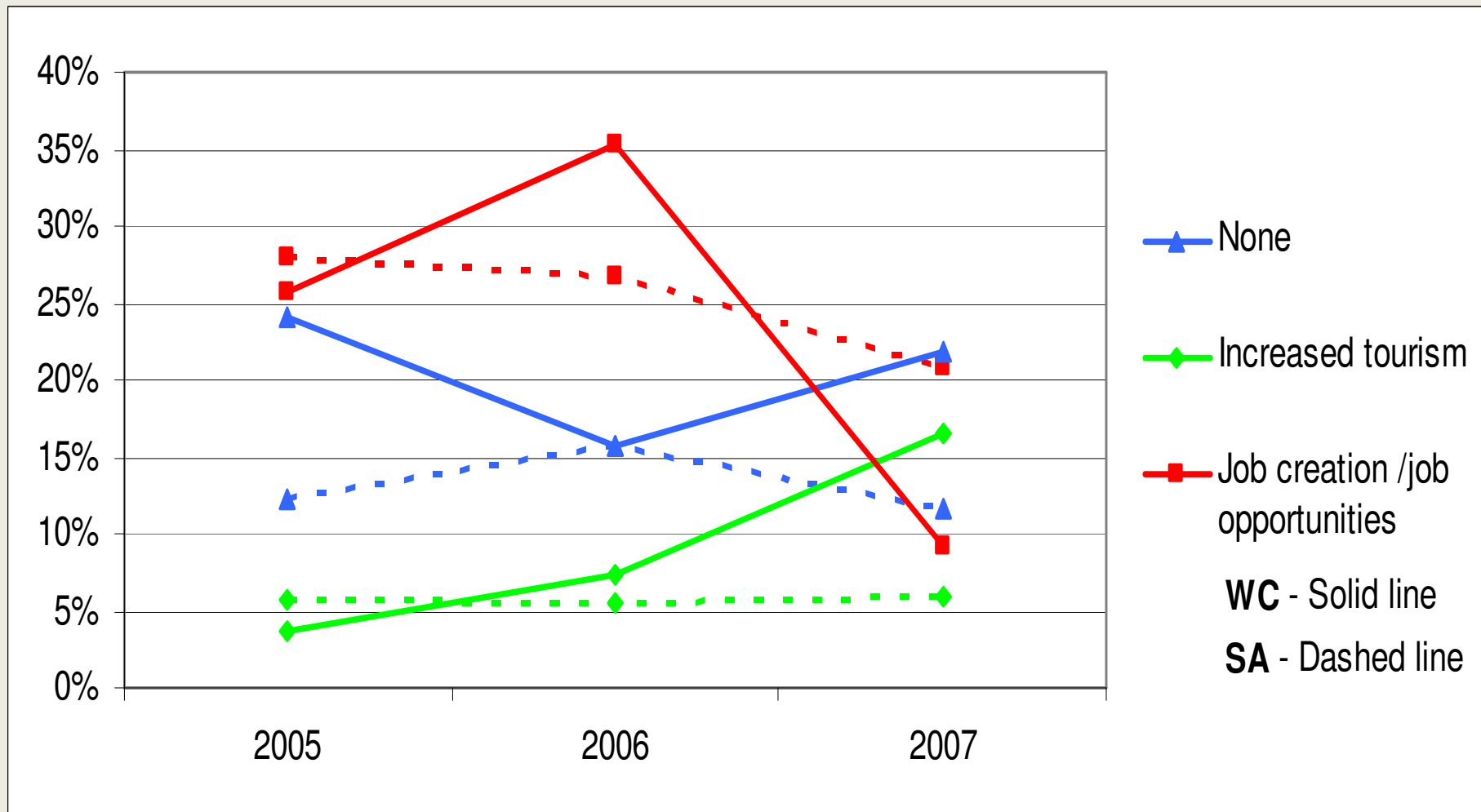
Main Benefits for SA (National versus Provincial)



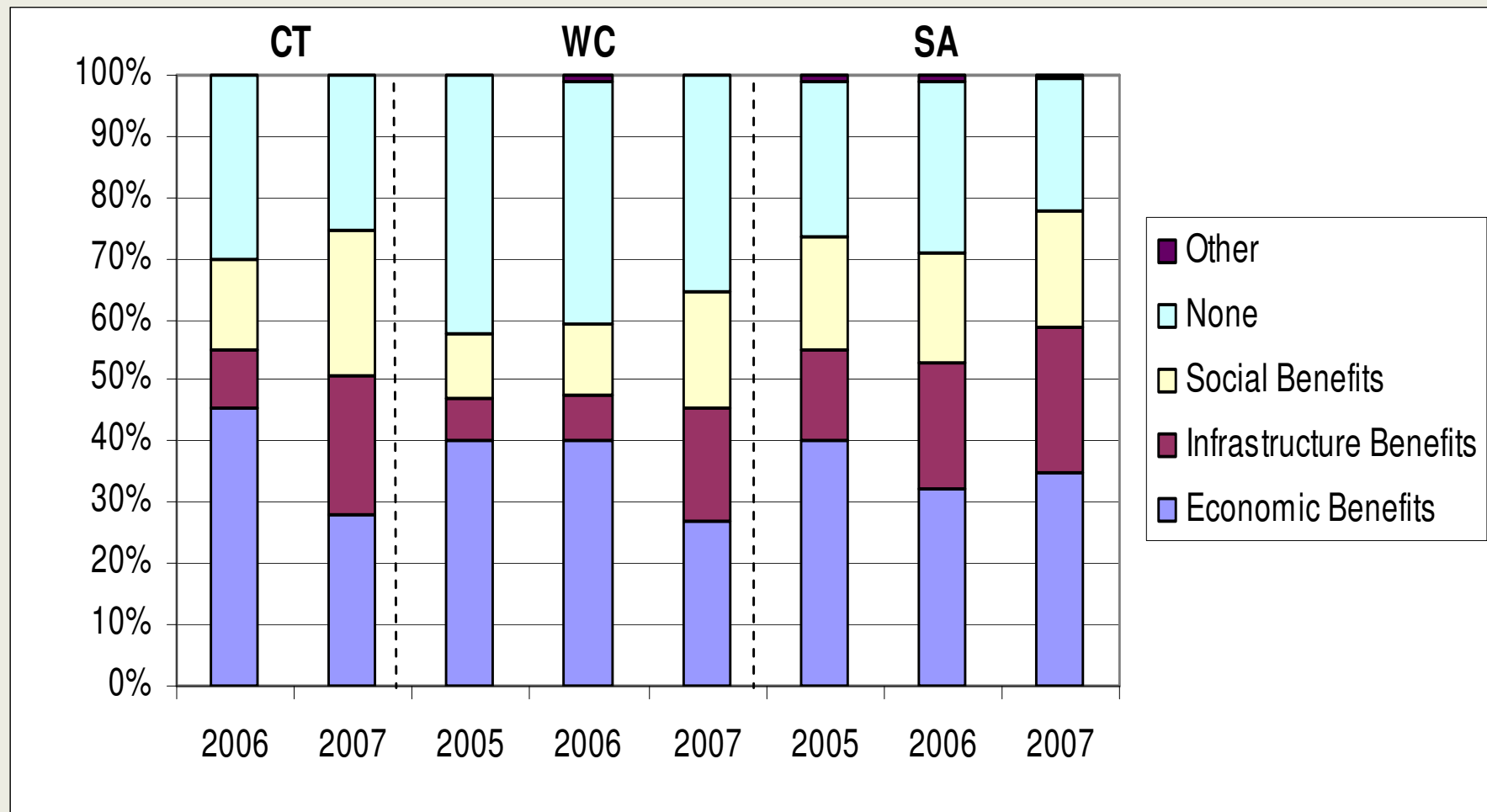
Benefits for your city (National, Provincial and Host City)



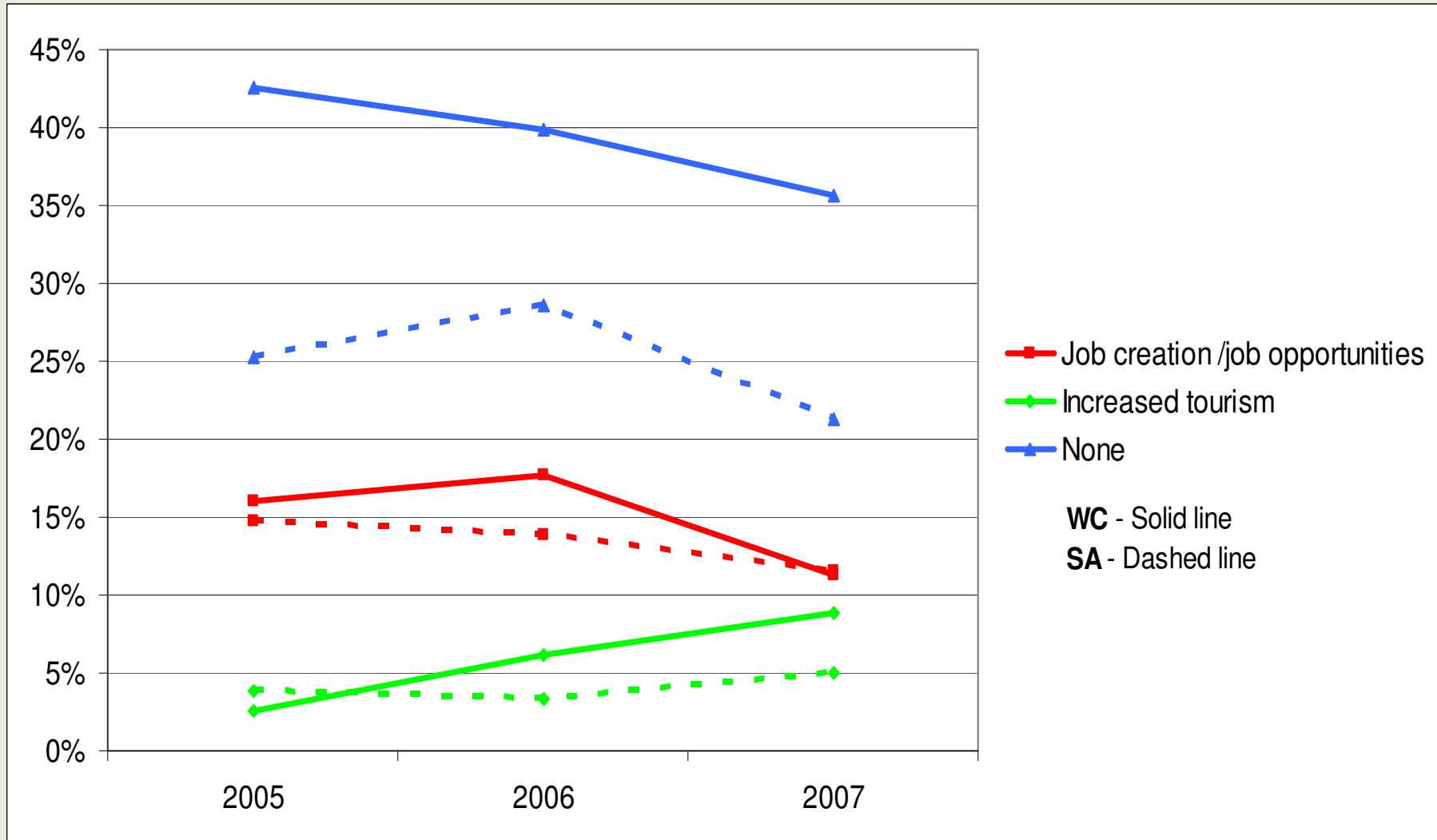
Main benefits for your city (National versus Provincial)



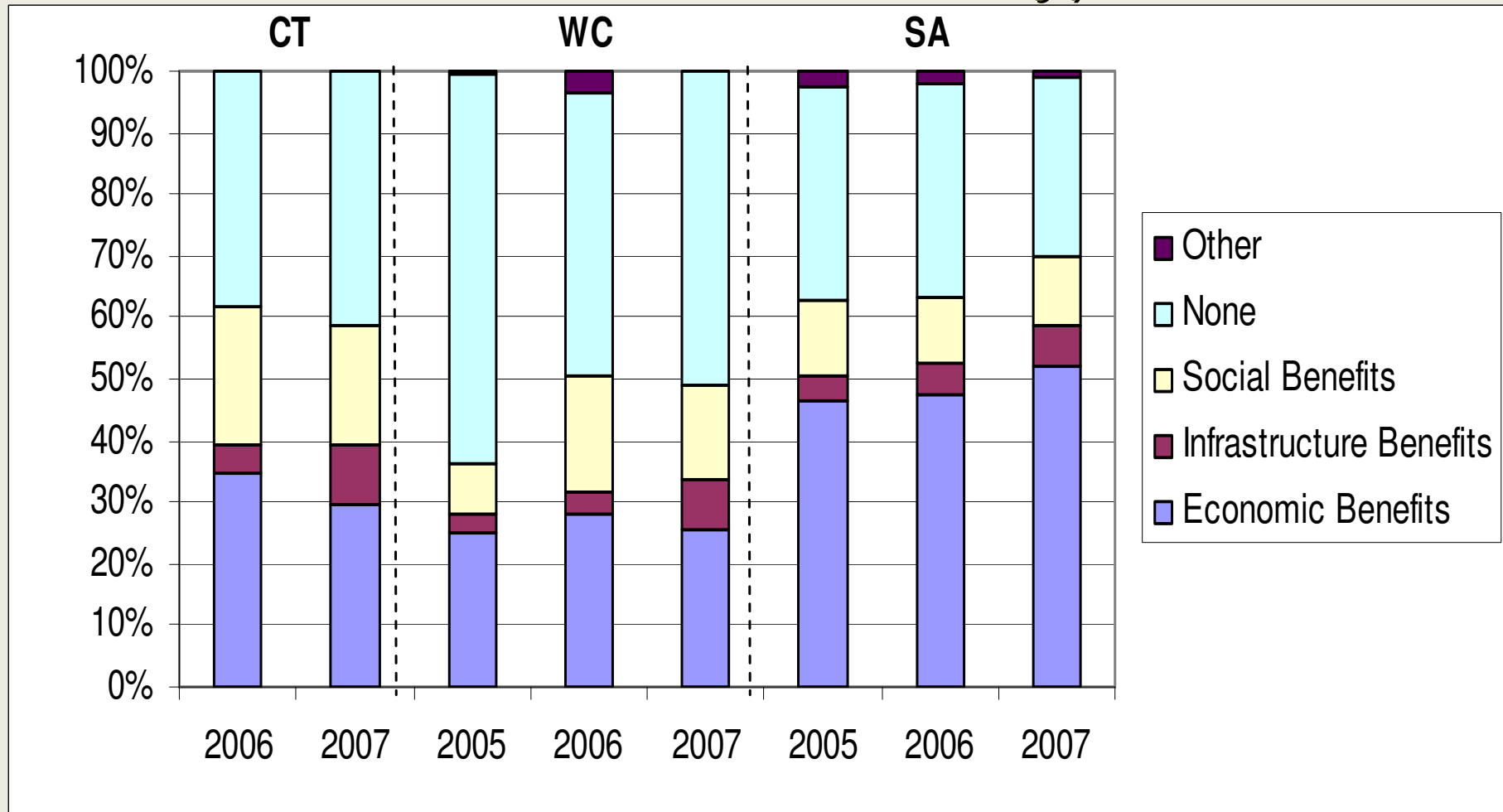
Benefits for your neighbourhood (National, Provincial and Host City)



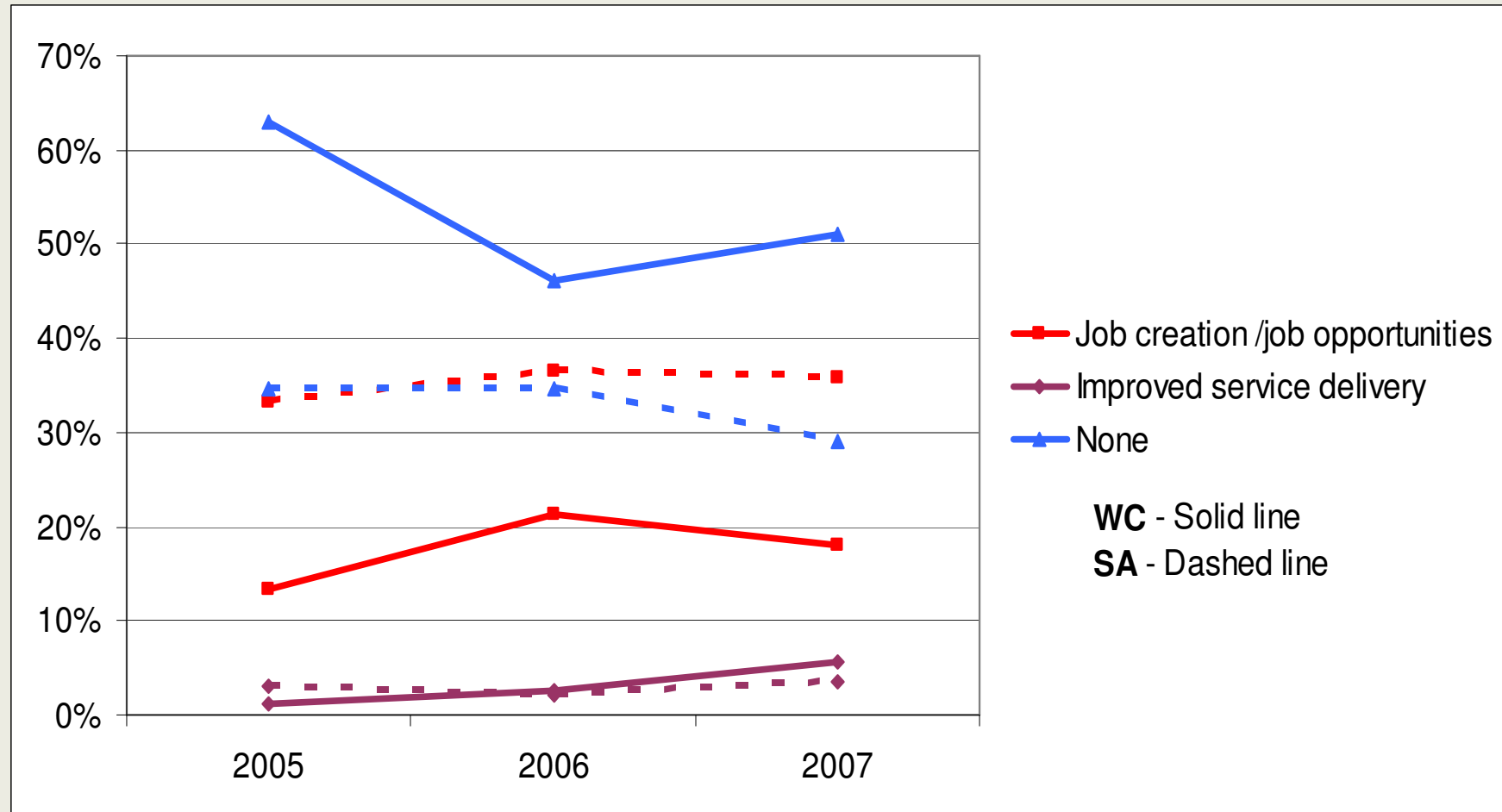
Main benefits for your neighbourhood (National versus Provincial)



Benefits for you (National, Provincial and Host City)



Main benefits for you (National versus Provincial)



- Still opportunity for definition of legacy
 - To be expanded
 - To be opened up to popular and public debate
 - To continue to be informed by scholarly research
- Important to manage expectations
- Strive for consensus over what practically and realistically can be achieved
- 2010 legacy should have been broadly defined at the outset
- All of South Africa's urban 'ills' will not be solved by 2010
- Nor will our country immediately join a global hierarchy of competitive national economies
- BUT, goals of growth and equity are not contradictory



- Widespread development benefits not direct consequence of spending associated with mega-events
- No proof that the hosting of mega-events will result in meaningful job creation, significant contribution to GDP, infrastructural, service and facilities provision beyond the event itself
- Poverty alleviation is unlikely to be a significant outcome
- Urban development restricted to requirements of event

- 2010 will create jobs
 - *but not solve our unemployment problems or lead to significant skills transfer*
- Improve our public transport system
 - *but not solve the public transport problem*
- Help accelerate service delivery in some of our townships
 - *but only marginally*
- Contribute to a positive national identity
 - *but not significantly to lasting integration*
- Position the country more competitively
 - *but not before we get more of the basics right*
- Create world class facilities to attract mega-events in future
 - *but for the most part these are likely to be under-utilised*
- Likely to be a positive net contribution to the GDP
 - *but 2010 itself unlikely to deliver a 6% growth rate*

- Photographic acknowledgements:
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