

University of Tartu

Faculty of Social Sciences

Johan Skytte Institute of Political Studies

MA thesis

Ranno Koorep

**Geopolitics of Sports Mega-events: Why is International Sport
Moving to Emerging Countries?**

Supervisor: Andrey Makarychev, PhD

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ABSTRACT

A growing number of major sports mega-events, usually held in Western liberal states, are finding new hosts in the emerging world. This has risen controversial opinions but the question of why this trend is happening remains. The following thesis draws attention to the socio-political factors behind the phenomenon.

The theoretical part discusses relations between sports mega-events and the forces of globalization. Theory of hybridization is considered most suitable in the context of the work. Possible explanations to the research question are assessed on the basis of existing literature.

Bidding processes for the hosting rights of eight consecutive Olympic Games are examined in the empirical part. It is concluded that the existence of geopolitical aspirations is the most important factor causing international sport to move towards emerging countries.

Keywords: mega-events, sport, international relations, globalization, geopolitics, Olympic Games.

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USED ABBREVIATIONS

CPI – Corruptions Perceptions Index

FIFA - Fédération Internationale de Football Association, International Federation of Association Football

GDP – Gross Domestic Product

IF – International Sport Federation

IMF – International Monetary Fund

IOC – International Olympic Committee

NOC – National Olympic Committee

OCOG – Organizing Committee for the Olympic Games

Olympic Games = Olympics = the Olympics = the Games

TOP – The Olympic Partner

UN – United Nations

USD – United States dollar

INTRODUCTION

There are only few occasions when international relations and global processes can be directly observed. International sports mega-events are one of those occasions. They can be regarded as multinational celebrations of modern societies where nationalist notions are mixed with the forces of globalization while the whole world is watching. It is somewhat paradoxical that these hugely popular and widely followed open spectacles often conceal motives other than “sport for development and peace” as propagated by different international organizations. The world stage provided by such events is a tempting concept for many interested parties, states in particular. On the other hand, the competitive yet playful nature of sport creates an emotional atmosphere which might provide unique insight to the state of international relations. It is therefore surprising that mega-events and sport in general has not been brought up to more academic attention.

In social science sports mega-events have most widely been associated with the processes of globalization. These issues will be assessed in the theoretical part of this thesis where I argue for a wider understanding of globalization in relation to mega-events. This is important because the simple explanation of globalization as homogenization fails to provide sufficient basis for the main research question: why is international sport moving towards emerging countries?

In some ways this phenomenon combines many previously researched mega-events related topics. Most of them focus on economic or social issues surrounding the hosting of such events like the Olympic Games or football World Cup. Developed countries have become more reluctant towards hosting major sporting events and are concerned with financial risks and urban development problems. At the same time, strong political and emotional motives behind the bids of emerging countries have been somewhat neglected in mega-events research. I believe that current trends observable in the pursuit for hosting mega events reflect on the state of international relations. Mega-events hosted by emerging countries therefore hold symbolic value for the host nation and for international relations as well.

This thesis critically assesses possible explanations to the ongoing power shift in the hosting of mega-events. First, theory of globalization and its different forms are discussed to provide a solid theoretical framework for the thesis. Then, four main hypotheses to explain the drift of sports mega-events towards emerging countries will be presented and further explained qualitatively. In the third chapter, empirical analysis is conducted with data from eight consecutive Olympic Games to support the theory. Variables are then statistically tested. Results and conclusions will be provided in the end.

I argue that geopolitical incentives are relatively more important than economic factors (as normally believed) for winning the rights to host sports mega-events. I also suggest that less democracy and higher corruption helps emerging countries to be more successful in their pursuit for the hosting rights.

1. THEORETICAL BACKGROUND

1.1 Theory of Globalization and Sport

International sports mega-events are cultural, economic and political phenomena which, for a short period of time, captivate the attention of people and groups of all different interests around the world. It is therefore only natural that these events are considered to be the main contributors to the unifying processes of globalization. However, when we consider that the Olympic Games, FIFA Football World Cup and other global sporting festivals also reinforce national sentiment, raise political confrontation and spur international rivalry, the coherence between sport and globalization does not seem as self-evident as first thought.

In this section of the thesis I argue that international sports mega-events and globalization are closely interrelated but that the role commonly placed on the Olympic Games – or any other mega event – on that matter is overestimated and often misinterpreted. I find that the narrow concept of globalization as homogenization does not suit the contemporary developments of sports mega-events and adopt the theory of globalization as hybridization which better explains different aspects of the topic at hand.

First, I discuss sports mega events in their most commonly perceived role – as the locomotive for development and globalization. Then, I move on to discussing mega-events in the context of identity and nationalism – forces which contradict the globalizing powers of mega-events. Finally, I discuss globalization as hybridization as the main theoretical groundwork for this thesis.

1.1.1 Globalization through mega-events

Presidents of sports organization and politicians like to stress the unifying nature of sport and the all-positive effects of hosting global festivals such as the Olympic Games. This understanding thrives on a theoretical standpoint, propagated by „hard-line advocates of the globalization thesis“ who believe that we live in a post-nationalist world and that distinctive

identities based on the idea of nation are being eroded.¹ This trend is supposed to bring forth „ever-increasing homogenization and the emergence of global culture“.² While mega-event organizers often present these possible developments as means for world peace, others see it as a source for conflict and resistance. For example, both the United Nations (UN) and the International Olympic Committee (IOC) see sport as a tool for building and promoting a peaceful society.³ Helen Lenskyj, on the other hand, often links the negative effects of the Olympic Games with those of globalization and categorizes Olympic resisters in the same group with “other antiglobalization activists”.⁴ Both sides, however, acknowledge the homogenization capabilities of sports mega-events and such is also the prevailing consensus amongst many scholars, politicians and activists who have made the connection between sport and globalization almost a common knowledge.

The starting point for this approach is quite obvious and is rooted in economics. The International Olympic Committee claims that “The Olympic Games are one of the most effective international marketing platforms in the world, reaching billions of people in over 200 countries and territories throughout the world.”⁵ If one was looking for mechanisms for reaching global audiences, you could not wish for a better one. The Marxist (or neo-Marxist) way to look at globalization at this point would be to assess the global developments as part of the capitalist economic process. This approach suggests that globalization has an agency and an intended purpose.⁶ Most theorists however, “argue that although some elements of the phenomenon are intended, most are accidental and are certainly beyond the control of individuals, states, or even economic systems”⁷ Certain patterns of market-oriented processes can also be observed in the Olympic movement (which will also be further discussed in detail later on in this work). Whether these are part

¹ Bairner, Alan. “Sport, Nationalism, and Globalization. European and North American Perspectives”, State University of New York Press, Albany, 2001. Here pp 5-6.

² Bairner, 2001. Here p 6.

³ The Olympic Charter, International Olympic Committee, December 2014, p 11. „Sport for Development and Peace: Towards Achieving the Millennium Development Goals“, Report from the United Nations Inter-Agency Task Force on Sport for Development and Peace, United Nations, 2003, p1.

⁴ Lenskyj, Helen Jefferson. “Olympic Industry Resistance: Challenging Olympic Power and Propaganda”, State University of New York Press, Albany, 2008. Here p 28.

⁵ IOC official website, <http://www.olympic.org/sponsors>, viewed 01.12.2015.

⁶ Bairner, 2001. Here p 8.

⁷ Bairner, 2001. Here p 8.

of imperialist intentions and the spread of westernization – or not – is open for debate. Nevertheless, one can not avoid the fact that major corporations infused with western ideals are being promoted through these global mega-events. From the case of London 2012 Olympic Games, with a projected 3,6 billion viewers (which makes for an amazing 76% of the potential global audience)⁸ that saw the Games and were exposed to the logos and advertisements of the Olympic partner program (TOP) sponsors like Coca-Cola, McDonald's, P&G, Visa, Samsung, Panasonic etc., it seems almost inevitable not to claim that sport is the biggest instigator for globalization.

Another aspect of globalization through sports mega events is revealed in the candidate cities' pursuit towards gaining more recognition and power by becoming a "global city". Holger Preuss describes global cities as "centers where economic power is concentrated"⁹. Preuss brings out some factors which the host cities develop, for example in the process of organizing the Olympic Games, that are important for becoming a global city: new bureau houses, improvements in telecommunications, gentrification of a part of a city, first class tourism and an international airport.¹⁰ Hosting a sports mega event intensifies the globalization process and aides the city in the developments of becoming a global city which then potentially increases its economic might and influence. This is a possible goal in both international and domestic level since mega-events serve as an opportunity to (re)gain some might for cities that have experienced loss of importance or are shadowed by other global cities in the country.¹¹ This is clearly evident in the cases of non-capital cities like Munich and Barcelona that have hosted the Olympic Games and have established themselves as high contenders for economic and cultural dominance in their respective regions.

⁸ London 2012 Olympic Games Global Broadcast Report, IOC 2012.
http://www.olympic.org/Documents/IOC_Marketing/Broadcasting/London_2012_Global_%20Broadcast_Report.pdf, viewed 30.11.2015.

⁹ Preuss, Holger. "The Economics of Staging the Olympics. A Comparison of the Games 1972-2008", Edward Elgar, Cheltenham, 2004. Here, p 93.

¹⁰ Preuss, 2004.

¹¹ Preuss, 2004. Here pp 21 and 93.

Since contemporary sports mega-events are one of the most heavily securitized events on the planet, another contribution to one impact of globalization emerges. Helen Lenskyj describes it as “the replacement of “heavy capitalism” in the form of industrial production with the more portable “light capitalism””¹² which allows struggling urban areas to find new revenues from tourism. This is achieved by increasing the overall surveillance and security measures which are supposed to portray the city as a safe and appealing tourist destination.¹³ Increased levels of surveillance combined with huge media attention and large-scale coverage of the events does leave us to believe the imminent emergence of global culture. David Rowe says that “such [televised] sporting mega-events are especially dramatic presentiments of a fully developed global culture of the future, in which the “whole world is watching” ...”¹⁴.

However alluring the prospect of a unified world may be, I find this understanding of globalization to be somewhat misleading as it combines two different ends of the term’s theoretical spectrum. The variation, as described by Rowe, is as follows:

*“At one end of the theoretical spectrum, globalization is a technical term describing the greater economic, political, technological and communicative connectivity that has been evolving for centuries. /.../ At the other end of the spectrum, globalization is figured as a transformative process at every level, accelerating rapidly since the late 20th century, systematically eroding locally specific structures and practices, and imminently ushering in a common global culture.”*¹⁵

I believe that the increasing global connectivity does not necessarily lead us to a common global culture even though such parallels are often easy to come by. It is largely because “...globalization has supplanted ‘postmodernity’ in sociology (and, indeed, in cultural studies) as an omnibus concept used to explain transformations and to describe their

¹² Lenskyj, 2008. Here p 71.

¹³ Lenskyj, 2008. Here p71.

¹⁴ Rowe, David. ” Sport and the Repudiation of the Global”, *International Review for the Sociology of Sport*, 2003 38: 281, pp 281 – 294. Here p 284.

¹⁵ Rowe, 2003. Here p 282.

outcomes in totalizing fashion.”¹⁶ However, when it comes to the nature of sport, post-modernity and post-nationalism are not easily implemented concepts.

Although many scholars like Preuss suggest that under the assumption of increasing globalization national sovereignty erodes and regional identity becomes more important than national¹⁷, it is hard to imagine a situation where sport is detached from the concept of nation. It is therefore inescapable to study the relations between sport, identities and nationalism to fully understand the place and potential of sports mega-events in the processes of globalization.

1.1.2 Sport, Identity and Nation

The prevailing consensus in sports studies acknowledges nationalism and localism as forces of resistance to the processes of globalization but mostly suggests that “the relationship between sport and national identity is self-evidently unraveling to reveal an increasingly homogeneous global sporting culture.”¹⁸ However, many case studies in Alan Bairner's book suggest that the resilience of national sentiment and identity politics of formerly submerged ethnic groups are fueled by the very same developments.¹⁹ This leads us to an obvious paradox where globalization supposedly nurtures both national and post-national tendencies. Rowe says that “it is improbable that sport can be reconfigured as postnational and substantially stripped of its ‘productive’ capacity to promote the forms of identity (local, national, geopolitical, racial and so on) because these are, simultaneously, the source of its affective power and the potentially activated resistive impediments to the globalization process.”²⁰

All of sport is more or less related to some aspect of the concept of nation. Competitive sport is a spectacle where the fans always come to support “their own”, wearing national colors and chanting national slogans and songs. We almost never see amongst the crowds, for example, someone waving the flag of the European Union – the spectacle is always

¹⁶ Rowe, 2003. Here p 282.

¹⁷ Preuss, 2004. Here p 295.

¹⁸ Bairner, 2001. Here p 1.

¹⁹ Bairner, 2001.

²⁰ Rowe, 2003. Here p 287.

personalized and spiced with national pride. Even if we take the case of international sporting leagues where many players and athletes compete outside their home countries and where the composition of the teams is not based on a particular ethnic identity, the clubs they represent still “retain a ‘national’ brand irrespective of the composition of their playing and coaching staff and of their shareholder register...”.²¹ Whichever way we look at it, the concept of nation is still somewhere to be found. Sport, therefore, may be considered an important factor in modern societies where nationalist ideas and identities are nurtured and celebrated.

Another way in which nationalist-infused politics finds its way to sport is through media coverage of the events. There is a tendency for local media systems to be “embedded in the political economic structure of society” and for journalists to be “heavily reliant on sources from established institutions”²². It means that sports mega-events are covered and interpreted slightly differently in different locations around the world to fit the political culture of the country and the expectations of its newsreaders. In a 14-country comparative data analyzes on how different countries’ television news covered the events preceding Beijing 2008 Olympic Games, it was found that journalists localize and politicize foreign news to give them more meaning in the local context and to add distinctive national perspectives.²³ Furthermore, mass media coverage of sporting events provides a “huge contribution to a shared national consciousness” by creating a “sense of belongingness to the nation”.²⁴ This is achieved through collective viewing of the sporting spectacles and supporting the national representatives. All in all, there is no escape from the nationalist sentiment contained in sports mega-events because both sport itself and the media circus surrounding it are intertwined with nationalism and politics.

²¹ Rowe, 2003. Here p 286.

²² Lee, Francis L. F.; Chan, Joseph M.; Zhou, Baohua. “National lenses on a global news event: determinants of the politicization and domestication of the prelude to the Beijing Olympics”, *Chinese Journal of Communication* Vol. 4, No. 3, September 2011, pp 274 – 292. Here p 276.

²³ Lee, Chan and Zhou, 2011.

²⁴ Cho, Younghun. „Unfolding sporting nationalism in South Korean media representations of the 1968, 1984 and 2000 Olympics“, *Media, Culture & Society*, 2009 31: 347, pp 347 – 364. Here p 349.

It all comes down to the competitive nature of major sporting events which are “perfectly suited for articulations of nation”²⁵. Rowe says it is because they “function effortlessly as metaphor for the state of the nation at the popular political level”²⁶. Bairner on the other hand suggests that it is also possible for fans to support their team without being attracted to or feeling concerned in any ways about the country’s government and its national politics.²⁷ In both cases, however, the fact remains that sport is deeply dependent on the concept of nation and that the restrictive manifestations of modernity will always be inserted to the proposed emergence of post-modernity when considering the relations of sports mega-events and globalization.

Although we can imagine a situation where different identities are united through the universal practices of sport, we can not forget that sport is most powerful in the presence of competitive national performance. “National” will therefore always have an advantage in appeal as compared to “post-national”. Bairner adds that nationalism “touches people’s hearts and minds in ways that cosmopolitanism does not and may never be able to”²⁸ As long as we can not detach sport from its strong connection to national identity, we can not expect sports mega-events to be fully capable of ushering in the age of global sport, culture and society. Therefore, a concept of globalization which does not necessarily predict a culturally homogeneous world, needs to be asserted for assessing the complex nature of sports mega-events.

1.1.3 Theory of hybridization

Jan Nederveen Pieterse says that “...in social science there are as many conceptualizations of globalization as there are disciplines.”²⁹ The majority of studies on mega-events focus on economic and social issues which arise when applying for and hosting a global event such as the Olympic Games. As a result, globalization in relation to sports mega-events is often

²⁵ Rowe, 2003. Here p 286.

²⁶ Rowe, 2003. Here p 285.

²⁷ Bairner, 2001. Here p 17.

²⁸ Bairner, 2001. Here p 16.

²⁹ Pieterse, Jan Nederveen. “Globalization as Hybridization”. In: Fetherstone, Mike; Lash, Scott; Robertson, Roland. “Global Modernities”, Sage Publications Ltd, 1995. Here p 45.

interpreted in terms of economic and cultural homogenization. In this thesis, however, the focus is on global politics and the relation of global forces against national interests. In that prospect, globalization is better viewed as a process of hybridization rather than homogenization.

As shown before, international sports mega-events contribute to the homogenization side of globalization by reestablishing and reinforcing the images, rituals, celebrations and events of standardized and westernized establishments (such as IOC and FIFA) and their corporate sponsors. On the other hand, the same content is creatively transformed by host nations to display a certain set of specialties and values – may it be skills and success in certain sports, architecture of the venues or staging of the ceremonies – which all contribute to the heterogenization side of globalization. The contest narrative created by the nature of sports combined with local identities create a unique confrontation to homogeneous global sporting culture imposed by trans-national institutions governing sports mega-events. As a result, we get a mixed display of globally predominant culture next to local cultural specialties of the hosting nation through the medium of the mega-event.

One term to describe this effect is “glocalization” which “refers to the complex interplays between local and global processes in regard to globalization.”³⁰ Globalization in that sense is not just a one way process where “the local” is suppressed by “the global”. This is certainly the case for sports mega-events (which are widely used by hosting nations for purposes of reinvention, promotion and advertisement of “the local”) where local innovation and interpretations can influence the global event: be it the addition of new sports to the official program, new technological or economic solutions, the staging of the ceremonies or the legacies left behind from the events. All of this can diversify the global scene and influence the behavior of different involved parties in the future. Therefore, we must recognize that the relation between “the global” and “the local” is not necessarily an irresolvable conflict but rather a matter of interdependency.

³⁰ Giulianotti, Richard. “The Beijing 2008 Olympics: Examining the Interrelations of China, Globalization, and Soft Power”, *European Review*, Vol. 23, No. 2, May 2015, pp 286 – 296. Here p 287.

Similar effects can be observed in culture. According to Pieterse, “cultural hybridization refers to the mixing of Asian, African, American [and] European cultures”, and that “hybridization is the making of global culture as a global *mélange*.”³¹ This approach leaves room for “crossover culture”³² which also acknowledges the influences of non-western cultures, on both the western culture and on each other. It also portrays globalization as a process which creates fuzziness and diversity rather than uniformity. Hybridization therefore downplays the effect that western culture has on the overall processes of globalization.

For a working theory of hybridization, however, Pieterse says that a neat version of messiness or an unhybrid categorization of different hybridities is needed.³³ It means that we need some sort of differentiation where hybridity “concerns the mixture of phenomena which are held to be different”³⁴. Most obvious categories could be nations or cultures. Hybridization as a cross-category process would then blur the distinctions between them. But hybridization could also refer to specific sites or fairs “which bring together the exotic and the familiar, /.../, performers and observers”.³⁵ Sports mega-events could therefore be perfectly implemented for the practices of hybridization.

However, I believe that in today’s state of global relations and in the context of sports mega-events it is yet early, if at all possible, to perceive the makings of global culture as global *mélange*. Even Pieterse recognizes that hybridization “has been concealed by religious, national, imperial and civilizational chauvinism.”³⁶ Although mega-events provide us with a magnifying glass on processes of globalization, they also insert the dominant paradigm of nationalism as a filter which portrays culture as nationalized and territorialized. Therefore, we can observe different clashes where hybridization is both welcomed and contested by existing institutions of the western mind-set. This leads us to a standpoint where some aspects of the *mélange* are accepted but others not as much. For

³¹ Pieterse, 1995. Here p 60.

³² Pieterse, 1995. Here p 53.

³³ Pieterse, 1995. Here p 55.

³⁴ Pieterse, 1995. Here p 55.

³⁵ Pieterse, 1995. Here p 56.

³⁶ Pieterse, 1995. Here p 64.

example, cultural diversity during the Olympic Games is welcomed until it falls within the framework of western liberal ideology.

Ultimately, this approach still provides the best theoretical grounds to answering the main research question of why international sport is moving to emerging countries. When we were to consider globalization as merely the process of western imposed homogenization, one could suggest that there would be no resistance to the hosting of the events amongst the “winning side” of globalization. But instead we see a struggle where the IOC and FIFA (along with support from the UN) try to incorporate supposedly universal western ideals while having to face the reality of reluctance towards mega-events in developed democratic countries and an increasing interest in emerging non-democratic countries. Contemporary sports mega-events and the shift towards emerging countries could be seen as hybridity in the making. All the elements are there: first, the emerging countries are forced to play by the rules of the dominant West and are being exposed to the forces of globalization; secondly, trans-national sports organizations have no alternatives to accepting the strong emergence of non-western players and adapting to the new situation (both IOC and FIFA have been subject to substantial reforms); and thirdly, national, political and economic ambitions are haunting over the supposedly benign intentions of sport and its unifying power.

Richard Giulianotti claims that “sport mega-events may be regarded as particularly powerful manifestations of contemporary globalization”³⁷. International sport is in many ways the most popular, most emotional and most powerful form of both nationalism and globalization. I believe that sports mega-events are the most important and evident examples for the processes of globalization as hybridization. This assumes the recognition of complex interplays between “the global” and “the local”, “national” and “trans-national”, “the West” and “the rest”.

³⁷ Giulianotti, 2015. Here p 287.

1.2 The Clash of Civilizations, Athletics and Emotions

As intensifiers of globalization and emotions, sports mega-events can highlight ongoing tensions in international relations and reveal the existence of certain clashes. Global participation and the competitive nature of the events create a perfect atmosphere for observing processes that in other circumstances could be discussed mostly on theoretical grounds. Sports mega-events can therefore provide us with unique evidence and examples to global theories and power relations.

1.2.1 *The Clash of Civilizations*

One of the most well-known and talked about theories in contemporary social science is Samuel P. Huntington's clash of civilizations. Huntington believes that the main source for conflict in modern world politics is culture. He says that in the 21st century "nation states will remain the most powerful actors in international affairs, but the principal conflicts of global politics will occur between nations and groups of different civilizations"³⁸. Mark Dyreson says that Huntington's claim "requires scholars to focus their attention on the most popular and widespread contemporary global phenomenon on the planet – sport."³⁹ While acknowledging Huntington's division of the world into different civilizations based on religion, Dyreson also notes that all these civilizations "have embraced a common cultural practice, modern sport, [which] makes international athletic contests significant touchstones for examining and analyzing the nature and complexity of these clashes."⁴⁰

So let us examine some of Huntington's claims in the context of sports mega-events. For one, he says that increasing interactions between peoples of different civilization intensify awareness of differences which pushes civilizations towards clashing.⁴¹ When we consider the Olympic Games and FIFA World Cup to be one of the biggest global meeting points for people of different cultures, according to Huntington, sports mega-events could increase the

³⁸ Huntington, Samuel P. „The Clash of Civilizations?“, Foreign Affairs, 1993, pp 159 – 169. Here p 159.

³⁹ Dyreson, Mark. „World Harmony or an Athletic ‘Clash of Civilizations’? The Beijing Olympic Spectacle, BMX Bicycles and the American Contours of Globalisation.“ International Journal of the History of Sport, Jun2012, Vol. 29 Issue 9, pp 1231 – 1242. Here p 1232.

⁴⁰ Dyreson, 2012. Here p 1238.

⁴¹ Huntington, 1993. Here p 160 – 161.

potential for civilizations to clash. At first, this seems a bit illogical since sport is widely recognized as the connector of cultures and smoother of differences. However, if we look at the ten-fold increase in security costs of the Olympic Games of the new century⁴² (compared to pre-9/11)⁴³, there might be something to it. Although sports mega-events portray non-violent ideals, they also provide an international stage which some malicious groups, who do not share the same ideals, may want to exploit in order to draw attention to their own cause through the means of violent attacks.

Huntington also says that the “processes of economic modernization and social change”/.../ “weaken the nation state as a source of identity”, and that gap is filled with “the revival of religion”.⁴⁴ Although, I do not fully disagree with Huntington, the same processes can also be the source of the revival of nationalism and these processes are especially visible during sports mega-events. Dominique Moïsi believes that sport, by the means of media, is becoming something of a secular religion.⁴⁵ Therefore, some overlapping themes can be noted and the clashes between secular and religious, national and global remain vital.

An important clashing point in Huntington’s theory, which is also very potent in the context of mega-events, is the confrontation between West and the non-West. “A West at the peak of its power confronts non-Wests that increasingly have the desire, the will and the resources to shape the world in non-Western ways.”⁴⁶ In this claim lies one possible answer to the question why international sport is increasingly important to emerging countries. The mega-events can be used as tools for the purposes of claiming ones position on the global scene and to reshape the existing structures. This could be described according to Huntington as the clash of civilizations at the macro-level where global importance is sought for and civilizations “struggle over the control of international institutions and third

⁴² Sugden, John. “Watched by the Games: Surveillance and security at the Olympics”, *International Review for the Sociology of Sport* 2012 47: 414, pp 414-429. Here p 418-419.

⁴³ The security scene of the world dramatically changed after the 9/11 terrorist attacks in 2001 in New York. It also had a significant meaning in the context of the Olympic Games. Beforehand, security measures were not as extensive, but post-9/11 Games have become increasingly militarized and paranoid with the terrorist threat.

⁴⁴ Huntington, 1993. Here p 161.

⁴⁵ Moïsi, Dominique. „Emotsioonide geopolitika“, Tallinn 2010. Here p 19.

⁴⁶ Huntington, 1993. Here p 161.

parties”⁴⁷. But mega-events can also provide means for civilizations to clash at the micro-level where civilizations struggle “over the control of territory and each-other”⁴⁸. This is evident when mega-events are used to conceal violent disputes, most notably in 2008 when Russia invaded South-Ossetia, a part of Georgia, under the cover of the commencing Beijing Olympic Games.

1.2.2 The Clash of Athletics

So far I have discussed sports mega-events as both the platform and a tool for the processes of globalization and the clash of civilizations. However, not just the mega-events but also their main content – sport – is used to achieve similar effects. Mark Dyreson uses the term “athletic clash of civilizations”⁴⁹ which refers to the clashing elements contained within international sports. The athletic clash is based on practices where athleticism and different sports are used to impose imperial culture and lifestyle, describe measures of national vitality and to gain soft power.

Alan Bairner says that “sport emerges as a cultural form that can be exported and/or exchanged from the eighteenth century onward with Britain and its expanding empire playing a pivotal role.”⁵⁰ The export of British imperial sport served as a unifying tool to smoothly incorporate colonial countries into British cultural space. This however did not go without some drawbacks and was not a start of a homogeneous sporting culture as British sporting empire also induced resistance and even created heterogenization in some cases. In the US, new versions of British games were invented, and in Ireland a completely different set of sports were promoted to preclude all things British.⁵¹ So, the idea of sport as a tool for unification, while also being the source for potential confrontations, dates back hundreds of years.

Similar effects can be observed in the suggested Americanization of world sports today. The spread and popularity of American sports such as basketball and volleyball and the

⁴⁷ Huntington, 1993. Here p 162.

⁴⁸ Huntington, 1993. Here p 162.

⁴⁹ Dyreson, 2012.

⁵⁰ Bairner, 2001. Here p 13.

⁵¹ Bairner, 2001. Here p 13.

inclusion of new action sports to the Olympic program do indicate such tendencies. However, truly American sports – baseball and American football have not had similar success. The actual export of American sport has not been most successful due to other countries' already established sporting cultures⁵², however, USA still seeks growing influence through media coverage, the establishment of rules and sponsoring.

Perhaps most interesting is the inclusion of action sports to the Olympic program which some claim to be a result of transnational forces and the IOC's attempt to move along with times. Dyreson, however, sees a peculiar version of Americanization beneath this alleged globalization.⁵³ He says that “the growing significance of action sports at the Olympics represents the ‘Californication’ of Olympic spectacles”⁵⁴ and that “in American minds, sport serves as a cultural ‘Trojan horse’ for American interests.”⁵⁵ It means that most action sports pastimes (like BMX biking, mountain biking, snowboarding, triathlon, and beach volleyball) grew in a particular culture – the American, and mostly in California – promote the American lifestyle and serve most the interests of American companies and broadcasters. Action sports “facilitate the linkages between consumption, individualism, and lifestyle”⁵⁶ and therefore serve as tools for the preservation of American hegemony.

In this regard, sports mega-events could be seen as means for the hegemon to strengthen its positions but also as a chance for the emerging powers to showcase their abilities and surpass the rulers in their own game. For example, Beijing 2008 Olympic Games could then be interpreted “as an athletic ‘clash of civilizations’ between the world’s leading superpower and [China –] the nation that seems poised to challenge American hegemony.”⁵⁷ Therefore, in a quick return to the theory of globalization, Pieterse would note that “...hegemony is not merely reproduced but refigured in the process of hybridization.”⁵⁸

⁵² Bairner, 2001. Here p 14.

⁵³ Dyreson, 2012. Here p 1234.

⁵⁴ Dyreson, 2012. Here p 1235.

⁵⁵ Dyreson, 2012. Here p 1234.

⁵⁶ Dyreson, 2012. Here p 1235.

⁵⁷ Dyreson, 2012. Here p 1231.

⁵⁸ Pieterse, 1995. Here p 57.

In the clash between world superpowers and civilizations sport is also believed to “provide fundamental measurements of the vitality of nations.”⁵⁹ This usually means counting the total number of medals won by countries in major sporting events. The Olympic Games in particular represent “the most potent and symbolic arena in which many states attempt to increase their national prestige through winning medals and enhancing their position in the medal table.”⁶⁰ Higher ranking suggests greater strength of the country and its people and higher productivity of the system making the medal table a soft power indicator. Giulianotti marks that “in this regard, the Beijing Games may be seen as a major attempt to tackle the substantial soft power deficit that China holds vis-à-vis many other countries”, and that China’s negative soft power balance is demonstrated in its “tendency to import rather than to export sport and other cultural ‘products’.”⁶¹ This might also be the case for all emerging countries who are lacking in soft power and see sports mega-events as means to advertise and export some of their own (sporting) culture and thus gain soft power in return.

1.2.3 The Clash of Emotions

Dominique Moïsi says that in addition to the clash of civilizations, the world is also faced with a clash of emotions. He believes that “the Western world [as in the United States and Europe] displays a culture of fear, the Arab and Muslim worlds are trapped in a culture of humiliation, and much of Asia displays a culture of hope.”⁶² Not only does this theory provide a meaningful perspective on the state of contemporary international relations, it is also most applicable in the context of sport and the main research question at hand.

According to Moïsi, the United States and Europe are labeled under the culture of fear. It is the fear of terrorism and the fear towards immigration, the fear of ageing and economic downfall. “What unites all these fears is a sense of loss of control over one's territory,

⁵⁹ Dyreson, 2012. Here pp 1231 – 1232.

⁶⁰ Grix, Jonathan. „Sport Politics and the Olympics“, *Political Studies Review*: 2013 Vol 11, pp 15-25. Here p 21.

⁶¹ Giulianotti, 2015. Here p 290.

⁶² Moïsi, Dominique. “The Clash of Emotions”, *Foreign Affairs*, January/February 2007.
<http://www.foreignaffairs.com/articles/62267/dominique-mo%C3%83%C2%AFsi/the-clash-of-emotions>,
viewed 23.10.2014.

security, and identity – in short, one's destiny.”⁶³ Western culture is used to being the dominant force in the world but suddenly it is faced with a relative decline in many different yet vital areas of life. Globalization seemingly works in favor of keeping the Western dominance but simultaneously contributes to the problem. “Every day, the Middle East is confronted with the contrast between globalization's winners, essentially the Western world and East Asia, and those who have been left behind.”⁶⁴ This is yet another blow to the Muslim world which “has been obsessed with decay for centuries”⁶⁵. Arab and Muslim worlds have therefore fallen in the culture of humiliation but unlike the West, are united by it.⁶⁶

The fears of the West are transferred and revealed in the reluctance to take any risks that might contribute to the fears becoming a reality. Hosting mega-events is a risk just like that: it draws a lot of (unwanted) attention, spikes immigration and is a financial gamble. This is one of the reasons why there will be a 12 year gap in Western-hosted Olympic Games.⁶⁷ According to Moïsi, “Europe and the United States seek to permanently banish their fears but will be able to do so only by finding a way to help the Muslim world solve its problems.”⁶⁸

“As the West and the Middle East lock horns, confidence in progress has been moving eastward.”⁶⁹ As bystanders to the confrontation between fear and humiliation most of Asian countries have managed to focus on progress and are living in a culture of hope. As in fact, the mightiest country in the culture of hope had some help transcending the regime of humiliation through the means of international sport. Moïsi also recognizes the potential of sport when he says that in 2008, „as the organizer of the Olympic Games, China symbolically and emotionally reclaimed its place as a center for history and its international legal succession. Majestic opening ceremony, the architectural beauty of the stadium and

⁶³ Moïsi, 2007.

⁶⁴ Moïsi, 2007.

⁶⁵ Moïsi, 2007.

⁶⁶ Moïsi, 2007.

⁶⁷ London 2012 Olympic Games were the last to be hosted by a Western country. The next 5 Olympic Games during the period until the year 2024 will be hosted by countries outside the culture of fear.

⁶⁸ Moïsi, 2007.

⁶⁹ Moïsi, 2007.

the multitude of medals won by Chinese athletes helped China successfully pass the test of modernity, achieving the peak of hope thanks to a surge in economic growth.“⁷⁰

Sport is a vital player in the clash of emotions because it has the power to emotionally influence large crowds. As Moïsi puts it, „victories achieved in the stadium may raise the mood of an entire nation for a short while and influence significantly the rise of national trust.“⁷¹ The emotionality of sport then serves more than just entertaining value.

⁷⁰ Moïsi, Dominique. „Emotsioonide geopoliitika“, Tallinn 2010. Here p 9.

⁷¹ Moïsi, Dominique. „Emotsioonide geopoliitika“, Tallinn 2010. Here p 19.

2. THE DRIFT OF OLYMPIC GAMES TOWARDS EMERGING COUNTRIES

In recent years, many western countries have become increasingly concerned with the ethical and political problems surrounding mega-events hosted by emerging countries whereas their own motivation to host mega-events seems to be declining. It is therefore necessary to study phenomena surrounding sports mega-events, especially in the light of recent developments where most upcoming events are going to be hosted by emerging powers. Before the 2008 Beijing Olympic Games, all Games (with the exception of Mexico 1968) were hosted by developed rich western countries. Since then however, western countries have become less motivated to host mega-events claiming the lack of both political and public support and also financial problems. Emerging countries on the other hand, see opportunities to advertise their greatness and gain international interest. Some believe that future mega-events can only be hosted by emerging powers with authoritarian governments because they can ignore financial dilemmas and public opinion more easily than the developed democracies of the west. Olympic ideals and authoritarian regimes however do not go hand in hand.

In this chapter, I present my main hypotheses for the research question why international sport is moving to emerging countries and explain them one by one in theory. In the next chapter, the same hypotheses will be tested empirically. The aim of this chapter therefore is to examine the theoretic background of my chosen hypotheses and to determine the variables which could be considered most instrumental for a successful bid. I have opted to cover only the Olympic Games and discard other sports mega-events for this research because the Olympics are the biggest, most relevant and most stable data producing of the bunch. This also makes for a reasonable amount of data considering the limitations of this thesis.

There have been several studies on factors which determine the outcome of Olympic bids. In a study published in 2004, Swart and Bob identified factors such as accountability, political support, relationship marketing, ability, infrastructure, bid team composition, communication and exposure, and existing facilities as decisive for a successful bid.

Westerbeek, Turner and Ingerson presented similar factors in 2002 and Feddersen, Maennig, Zimmermann empirically tested these factors in 2008.⁷² However, they only considered factors related to economics and specific bids and their results mostly served the interest of potential future applicant cities. This research has a different approach: besides wider economic factors, political and psychological factors are also considered. The outcome should provide new interesting insights to international relations and social studies. The main hypotheses are the following:

- 1) Economic and market mechanisms (IV1). Sports mega-events are global products in search of new markets and emerging countries win bids because of it. Also, larger economies from new-rich emerging countries are not deterred by the heightened price tag and win bids because of it.
- 2) Political regime (IV2). It is easier to host mega-events in less free regions. Less democratic countries are more likely to win bids.
- 3) Geopolitical aspirations (IV3). Geopolitical goals are pursued when bidding for hosting a sports mega-event. The bigger these aspirations are, the more eager the country is to host a mega-event. Countries with clear geopolitical goals dedicate more to the bidding process and win bids as a result.
- 4) Corruption (IV4). It is easier to host mega-events in more corrupt systems. Countries with higher corruption levels are more likely to win bids and because of the corruption of sports organizations, bids are won with the help of bribes.

2.1 Economic and market mechanisms

The most common excuse for not hosting or withdrawing a bid includes concerns over high costs and fears over benefits. When asked for opinions on the subject of why the Olympic Games are moving away from the developed West, most sports officials bring out escalating costs of the Games as their first argument.⁷³ In this sub-chapter I examine different economic factors and financially interested parties that might determine the drift

⁷² Feddersen, Arne; Maennig, Wolfgang; Zimmermann, Philipp. "The Empirics of Key Factors in the Success of Bids for Olympic Games", *Revue d'économie politique* 2008/2 (Vol. 118), pp 171 – 187.

⁷³ I conducted informal interviews with the staff of Estonian Olympic Committee on the research subject in January 2015.

towards emerging countries. I come to the conclusion that the Olympic Games cost as much because the apparent pursuit for cost-effectiveness is overshadowed by reputational motives. Heightened price of these reputational motives only makes sense to very large economies and fast developing countries. The Games could be managed at lower costs but it is government pride, window-dressing and often exaggerated improvements to infrastructure which inflate the final costs. Nominal GDP size of bidding countries might be considered as a factor. The most feasible economic explanation remains the one which considers the Olympic Games as global products in search of new markets.

First, financially interested parties must be identified. The main interest groups for hosting the Olympic Games according to Preuss are the regional grouping of the IOC members, host governments, politicians of the host city, local construction industry and the television network.⁷⁴ IOC members who come from the same country, region or continent as candidate cities might have personal interests to promote the corresponding bids.⁷⁵ Host governments are usually the major financers of bidding campaigns (and, upon winning the bid, the Olympic Games) and have the most to win and the most to lose reputation-wise in hosting the Games. Politicians of the host city, and the host nation, are promoting a global city, stimulating local economy and boosting personal image. The local construction agency is hoping to attain major contracts for building Olympic-related sites. The television network is hoping for increased viewer numbers and uplifted profits. On top of that, we can add other interested parties like local restaurant, hotel and business owners. What unites all these parties is the expectation of profit, including, to variable extent, the promise of material gains. Whether evident or not, the dichotomous “profit versus loss” rationale is deeply rooted into the mindsets of all parties involved in the staging of the Olympic Games. And as Preuss suggests, hosting the Olympics can make these interested parties become winners or losers depending on whether the Games affect the image of the city positively or negatively and whether the Games were run at a financial surplus or deficit.⁷⁶

⁷⁴ Preuss, 2004. Here pp 20-22.

⁷⁵ To counteract this possibility, in the final voting to select the host city, IOC members representing the countries of candidature cities are excluded from voting.

⁷⁶ Preuss, 2004. Here pp 22-25.

Concerns about the financial outcome of the Olympic Games is especially evident from 1960s onward when 1964 Tokyo Olympic Games raised the bar with Games-related improvements to infrastructure which led to higher costs. Since then, becoming a financial winner or loser has become one of the main issues when considering hosting, especially amongst developed countries. Despite of concerns, however, Olympic Games and other mega-events are still seen by many as “vehicles for neo-liberal ambitions of the state, facilitating its ties with private interests”⁷⁷. Economic opportunities that are embedded in the Games are therefore supposed to be most tempting for (mainly liberal) states and private companies in pursuit of material goals.

First, hosting the Olympic Games is considered by cities and states to boost tourism revenues. “For cities seeking to be competitive this rationale supports the trend toward consumption-based development, which first requires the financing of a tourist-friendly landscape”.⁷⁸ Olympics are perfectly suited for such purposes as they involve improvements to city image and infrastructure. In fact, the whole country, and not just the host city, is expected to profit from increased tourism. Furthermore, when looking for means of international advertisement of the city and country, hosting the Olympics can be in some ways considered a bargain. Andranovich, Burbank and Heying point out that “city leaders see the Olympic Games in strategic terms, providing opportunities to gain regional, national, and international media exposure at low cost.”⁷⁹ Both consumption based development and promotional effects are stressed and pursued already in the phase of Olympic bidding. The submitted bid documents themselves are according to Lauermann simultaneously “boosterish (written as a demonstration of technical expertise and a rhetorical appeal to win) and speculative (written to propose future urban investments)”⁸⁰ In this context, however, it is not evident that the Olympic Games are necessarily to be labeled as “vehicles for neo-liberal ambitions”. On the contrary, I suggest that boosting tourism and

⁷⁷ Jennings, Will. „Governing the Games: High Politics, Risk and Mega-events“, *Political Studies Review*, 2013 Vol 11, pp 2–14. Here p 2.

⁷⁸ Andranovich, Greg; Burbank, Mathew J.; Heying, Charles H. “Olympic cities: lessons learned from mega-event politics”, *Journal of Urban Affairs*, 2001 Volume 23, Number 2, pp 113–131. Here p 127.

⁷⁹ Andranovich; Burbank; Heying; 2001. Here p 127.

⁸⁰ Lauermann, John. „Competition through interurban policy making: bidding to host megaevents as entrepreneurial networking“, *Environment and Planning A*, volume 46, 2014, pp 2638 – 2653. Here p 2642.

gaining international media exposure are objectives more coveted by emerging countries regardless of their economic regime and ties to private interests.

Private and liberal interests can not be neglected or underestimated though. Billions of dollars are spent and generated by the IOC with every Olympic Games. In an economic sense, the Olympic Games and its ideology can be seen as products. Preuss claims that "...the Olympic aura, nourished by the Olympic ideals" creates a globally valid and unique ideology which "is basis for the power, the financial resources and the lasting existence of the IOC."⁸¹ The IOC can therefore be portrayed as a franchiser who sells the Olympic Games as a product to the local Organizing Committee for the Olympic Games (OCOG) and their mutual business is regulated by the Host City contract. The main product on sale, therefore, is not a material one, but the appeal of the Olympic trademark and the reputation of the Games and of the IOC. Potential host cities and countries are willing to spend a lot of resources for acquiring the image and a place on the world stage provided by the Olympic phenomenon. In fact, "...the OCOG pays the IOC a share of the Games surplus and all marketing revenues and finances a major part of the Games in order to receive the rights to host the Games and make use of the Olympic Rings"⁸². A similar deal is made between the IOC and its corporate sponsors. In the period between 2009 and 2012, nine private corporations paid the IOC a total of 950 million US dollars to become official Olympic partners.⁸³ For that money, approximately 100 million USD each, they got exclusive worldwide rights to use the Olympic symbols in their advertisement campaigns. But even more importantly, the Olympic Partner (TOP) program sponsors are granted the rights to establish exclusive categories which means that other companies specialized in the same categories as the TOP sponsors are excluded from advertising their products in any ways associated with the Olympic Games, the IOC and all the national Olympic Committees (NOCs) around the world. For example, Coca-Cola is one of the TOP sponsors and holds the exclusive category in non-alcoholic drinks. That means all other soft-drinks producers are prohibited to be shown in Olympic broadcasts, use the Olympic symbols, market their

⁸¹ Preuss, 2004. Here p 281.

⁸² Preuss, 2004. Here pp 281-282.

⁸³ Olympic Marketing Fact File, IOC, 2015.

products at Olympic venues and start partnerships with the IOC or any of the NOCs. Naturally, this is a luxury only a handful of companies in the world can afford. Interest of those select few could therefore have some significance to the Olympic movement. I shall return to this possibility in the end of this sub-chapter. But beforehand, interests of the broadcasters should be examined.

IOC generates most of its revenues from selling broadcasting rights, lion's share of which comes from selling North American TV rights,⁸⁴ and therefore the role of Olympic broadcasting and the interests of the media industry are perhaps one the most important factors when considering economic influences to the Olympic Games. As the continuing success of the Olympic Games depends on its popularity and image, the importance of media coverage is also stressed in the Olympic Charter which states that “the IOC takes all necessary steps in order to ensure the fullest coverage by the different media and the widest possible audience in the world for the Olympic Games”⁸⁵ This suggests that broadcasters, being the biggest financial contributors and serving vital importance to the IOC, might have some leverage on the IOC to influence some of its decisions. For example, the 2004 and 2008 Olympics were not staged during American television prime time and “consequently, there was a strong preference among American broadcasters to have the 2012 Olympic Games in New York or at least in Rio de Janeiro or Havana”⁸⁶. Despite their preference, however, the Games were awarded to London instead. Major broadcasting companies might have strong financial influences on the IOC but it would seem that it is not determinant in the decision making process and the outcome of Olympic bids.

When considering the vastness of the event and all the different interests of various parties involved in the financing of the Olympic Games, according to Preuss, “it is impossible and even wrong to state the overall effect of different Olympics with a single surplus or deficit.”⁸⁷ Usually when the final results of revenues and costs are presented, they also contain large scale investments not directly associated with the running of the Games. This

⁸⁴ Olympic Marketing Fact File, IOC, 2015.

⁸⁵ Olympic Charter, IOC, 2014. Here p 93.

⁸⁶ Preuss, 2004. Here p 22.

⁸⁷ Preuss, 2004. Here p 26.

often leads to a negative end figure on the balance sheet and the assumption of a poorly done job on the behalf of the local OCOG. However, “when investments are eliminated from the final balance sheets of the OCOGs and operational expenditures are set against OCOG revenues”⁸⁸, the revenues usually surpass the costs. In fact, Preuss found out that all the OCOGs under investigation in his book from 1972 to 2008 succeeded in making a financial profit.⁸⁹ Therefore, it can be said that it is not running the Olympic Games which causes the high cost and public concern with financial decline but the additional costs of investments in infrastructure and city development. Preuss suggest that “from an economic and urban development perspective it only makes sense to bid for Olympic Games if the long term city development plans are in line with those of the needed Olympic structure.”⁹⁰

The previous suggests that for developed countries, with already existing high level infrastructure, hosting the Games would be more profitable. For the potential host cities in developing countries, on the other hand, “financing the Games is less difficult than overcoming an infrastructure which frequently does not live up to the Olympic demands”.⁹¹ How is it then that the developed western countries are still more precautionous than the emerging countries when it comes to the final costs of hosting the Olympic Games? Conventional explanations for not hosting or withdrawing a bid that blame high costs therefore seem inaccurate in reality and insufficient in theory to explain the whole situation. If one wishes to employ economic factors to describe the drift of international sports towards emerging countries, perhaps it is more reasonable to turn one’s attention to global interests of the IOC and its corporate sponsors instead.

Due to aforementioned relations with TOP sponsors and broadcasters, the IOC can be seen as a global monopoly. Holding all the rights of a global phenomenon is inherent only to few (besides the IOC perhaps only FIFA is comparable). Volker Eick writes about FIFA, but the same can be said about the IOC: “The (contractual) relationships between all stakeholders involved are shaped by FIFA’s [and the IOC’s] ability to offer its

⁸⁸ Preuss, 2004. Here p 275.

⁸⁹ Preuss, 2004. Here p 275.

⁹⁰ Preuss, 2004. Here p 265.

⁹¹ Preuss, 2004. Here p 285.

monopolized product.”⁹² In the case of the IOC, the monopolized product is the Olympic Games and all things related to Olympics are regulated by the IOC. The monopoly is further maintained “...by regulating the competition between the big players in the sports and media industry in order to allow for greater revenues to be /.../ redistributed to its member associations.”⁹³ The revenues of Olympic Games are distributed between OCOG, NOC of the hosting country and the IOC, which also funds NOCs and IFs. Thus, the city and the country government do not receive any direct revenues from hosting the Olympic Games. The financial revenues that hosts can hope for, therefore, must come from a Games generated economic boost and increased tourism. Developed countries usually already have high-level economy and tourism rates and consequently have potentially less to win from hosting in economic terms.

Finally, we are left with a concept that sees sports mega-events as global products in search of new markets. Kevin Wamsley claims that “the fundamental marketing strategy of the IOC in the last quarter of the 20th century has been to amplify its importance to all peoples of the world.”⁹⁴ IOC’s influence in the developed world is already strong and the drift of Olympic Games towards emerging countries could be explained as IOC’s expansion to new markets. It is also in the interests of TOP sponsors since “the Games bring a captive audience, billions of viewers, to corporate sponsors that want to increase their market shares around the globe.”⁹⁵ The new market hypothesis will be further discussed in the empirical part of this thesis.

2.2 Political regime

The belief that political regime has some significance on attitudes towards hosting mega-events and the outcome of bids has come to light in recent years. Mostly, it is an observational fact since many democracies are finding it progressively difficult to justify

⁹² Eick, Volker. “A neoliberal sports event? FIFA from the Estadio Nacional to the fan mile” *City*, Vol 14. No 3, June 2010. pp 279-297. Here p 294.

⁹³ Eick, 2010. Here p 293.

⁹⁴ Wamsley, Kevin B. “The Global Sport Monopoly: A Synopsis of 20th Century Olympic Politics”, *International Journal*, Vol. 57, No. 3, 2002, pp 395-410. Here p 409.

⁹⁵ Wamsley, 2002. Here pp 409 – 410.

the need for hosting mega-events while more and more non-democratic states are winning bids and declaring interest towards hosting future events. Hosting a global festival like the Olympic Games entails big promises and great responsibility on the behalf of city and country governments. According to Robert Dahl, it is inherent to democratic regimes that officials are perceived to live up to their obligations and if they fail to do so, they can be held accountable by the voters through not being re-elected.⁹⁶ Democratic leaders, therefore, are to some extent dependent on public opinion and vulnerable to public opposition and demonstrations. Authoritarian leaders, on the other hand, are less restricted by concerns such as human rights violations and problems with housing, homelessness and basic freedoms in relation to the organizing of the Olympic Games.

The former FIFA Secretary General Jérôme Valcke stated during the 2014 World Cup Local Organizing Committee news conference in Rio de Janeiro that the Football World Cup is difficult to organize under conditions where different people, movements and interests are involved and that “less democracy is sometimes better for organizing a World Cup”.⁹⁷ Considering the similar nature and global scope of the World Cup and the Olympic Games, the same could be said about the latter. According to Nelson and Cottrell, “the idea is that democratic leaders are expected to exercise power in a manner that is transparent and subject to oversight through institutions, the media, and the legal system.”⁹⁸ Therefore, it is supposedly easier to host mega-events in regions with less democratic regimes where regulatory mechanisms of different institutions operating on different levels of power have significantly lower or no effect on the final decisions of the government. Authoritarian countries are therefore, in a sense, more free in their actions to push through the necessary legislation needed to host mega-events, face less domestic opposition and are more likely to win bids because of it.

⁹⁶ Dahl, Robert A. „A preface to democratic theory“, Chicago ; London : University of Chicago Press, 1956.

⁹⁷ “Less democracy makes for an easier World Cup – Valcke”, Reuters, Apr 24, 2013. Edited by Mark Meadows. <http://www.reuters.com/article/us-soccer-fifa-idUSBRE93N18F20130424>, viewed 01.12.2015.

⁹⁸ Nelson, Travis; Cottrell, Patrick M. „Sport without referees? The power of the International Olympic Committee and the social politics of accountability“, *European Journal of International Relations*, 2015, pp 1-22. Here p 3.

Rule 50 of the Olympic Charter gives the IOC Executive Board the power to determine all principles and conditions concerning publicity and advertising and prohibits all kinds of political, religious or racial demonstrations and propaganda in any Olympic sites, venues or other areas.⁹⁹ This ultimately means that the IOC has the power to influence hosting countries' domestic policies. Lenskyj states that "such guarantees can only be made through enacting legislation that suspends the basic right to freedom of speech and to freedom of public assembly that characterizes a democratic society."¹⁰⁰ Therefore, hosting the Olympic Games poses a threat to basic democratic values and naturally spurs some resistance in developed democratic states. In less democratic countries, however, these issues are not as vital and do not imply major changes to the existing order of how things are normally done.

Another obstacle for democracies is the importance of free liberal press which also covers potential risks involved in staging a mega-event. The press, which frequently writes about financial speculations, human rights issues and other problems related to the Olympic Games, could be considered influential to forming public and official opinions. This is especially evident in the local press of free countries. In developed democratic countries where freedom of press and public freedoms are normally at higher levels, negative coverage is more likely to occur and can have a significant impact. In authoritarian states, on the other hand, censorship and different forms of propaganda can aid the officials to gain more public support. Some authors also blame the IOC for trying to manipulate with the media and treating media representatives and Olympic journalists favorably because it is interested in positive coverage. Positive image is the IOC's best-selling product and influencing journalists to keep that reputation flawless can therefore be considered an important task. Different means of media manipulation do not generate nearly as much controversy in less democratic countries. It would then seem even logical for the IOC to prefer autocracies as hosts in order to better guide media coverage and safeguard its positive image. However, this approach creates an inner conflict for the IOC because the core values of Olympism are those not commonly affiliated with authoritarian regimes.

⁹⁹ Olympic Charter, IOC, 2014. Here p 95.

¹⁰⁰ Lenskyj, 2008. Here p 20.

Furthermore, awarding the Games to non-democracies always raises questions about the integrity of the Olympic ideals and therefore still damages the image of the Olympic Games. In 2008, Freedom House insisted “on a new standard for awarding the Games, one that requires countries to be democratic and to respect basic human rights”.¹⁰¹ Although seemingly an adequate suggestion, it has so far been neglected by the IOC.

The Olympic Charter states fundamental principles of Olympism as its core values. These values emphasize social responsibility and also include demands for securing enjoyment of a number of rights and freedoms without any kind of discrimination.¹⁰² In theory then, the IOC should be very critical towards less democratic hosts. On paper and in rhetoric it is doing just that by requiring all the NOCs and OCOGs to comply with the Olympic Charter.¹⁰³ However, the IOC lacks real power to hold host countries accountable to the Olympic Charter. It would seem that the IOC is a bit naive when it comes to the disciplinary power that the Olympics supposedly have on non-democratic regimes. Although the host country has to open up to the world and face global political criticism, it does not mean that the regime itself would democratize in the process. In fact, the effects could be the exact reverse when an autocracy manages to apply the Olympics to legitimize itself and prove the systems efficiency. In the case of 2014 Winter Olympic Games in Sochi, Russian democracy index dropped from 5.02 (in 2006 when the bid for hosting the Games was submitted) to 3.39 in 2014¹⁰⁴ and Russian approval for president Putin increased from 54% to 83%¹⁰⁵ after the success of the Olympics and the annexation of Crimea.

Olympic critics like Lenskyj find that the so called Olympic industry itself poses a general threat to free press, to freedom of assembly and to democratic decision making. In this

¹⁰¹ “Authoritarian Olympics Should Not Be Repeated”, Freedom House, Washington, August 22, 2008. <https://freedomhouse.org/article/authoritarian-olympics-should-not-be-repeated>, viewed 04.12.2015.

¹⁰² Olympic Charter, IOC, 2014. Here pp 11-12.

¹⁰³ Olympic Charter, IOC, 2014. Here p 9.

¹⁰⁴ Democracy Index 2014, Democracy and its discontents. A report from The Economist Intelligence Unit, 2015.

¹⁰⁵ Ray, Julie; Esipova, Neli. “Russian Approval of Putin Soars to Highest Level in Years”, Gallup, July 18, 2014. <http://www.gallup.com/poll/173597/russian-approval-putin-soars-highest-level-years.aspx>, viewed 25.12.2015.

light, one can claim that the Olympics and autocracies make natural allies. Also, when considering revenue generation “...it would not serve Olympic industry purposes, most notably the interests of its global corporate sponsors, to exclude any country on negative social impacts or human rights grounds...”¹⁰⁶. The ideology of the IOC would then be not as fundamental to the Games and terms like Olympism and Olympic spirit, which Lenskyj calls pseudo religious, would be used “to evoke feelings of universal excitement and belonging, while the less savory profit-making motives are concealed.”¹⁰⁷ Although these motives exist, I would suggest that the IOC is genuine in its pursuit for promoting universal values but it fails to make hosts accountable for following them. As a result authoritarian host are constantly finding ways to go around the rules and incorporate their own agenda in the staging of the Olympic Games.

Holger Preuss says that the Olympic Games were used in earlier times to “demonstrate the superiority of political regime” and in recent years the motivation for hosting the Olympics has come from the need to show the world major changes in the country.¹⁰⁸ These changes, however, refer mostly to recent economic advances or new political aspirations and not significant changes in the regime. The old rationale of power and regime demonstration through the staging of the Olympic Games still stands.

2.3 Geopolitical aspirations

Although seemingly apolitical, sports mega-events have in some ways become hostage to political aspirations – they always conceal geopolitical attitudes of the hosting nation. Olympic Games and the use of geopolitics is mostly attributed to the middle of the 20th century, when the Games were first used by different regimes in attempts to prove their superiority to others (most notably in 1936 Berlin, also labelled as the Nazi-Olympics) and later during the Cold War, when the Games served as contained battlefields for the ongoing confrontations between the West and the East. Geopolitical and biopolitical rationales were implemented in many forms, from displaying technical skills and counting medals to

¹⁰⁶ Lenskyj, 2008. Here p 150.

¹⁰⁷ Lenskyj, 2008. Here p 73.

¹⁰⁸ Preuss, 2004. Here p 20.

national doping programs and boycotts, in order to display the host country, its system, land and people as unique and supreme. These goals supposedly lost their importance for hosts with the end of the East-West conflict in the 1980s. Holger Preuss, for one, believes that „the Olympic Games have since hardly been used as a political instrument at all.”¹⁰⁹ Immanuel Wallerstein on the other hand finds that „geopolitics has never been absent from the Games.”¹¹⁰ I agree with Wallerstein and believe that geopolitical aspirations are still evident and of utmost importance when considering hosting the Olympic Games. Although these goals are to some extent characteristic to all hosts, they seem to matter more to emerging countries. I argue that geopolitical motives incite emerging countries to be more interested in hosting mega-events than developed countries.

First, geopolitical features already appear in the bidding stage. In their pursuit of winning, competing cities all try to outdo each other, offer more and increase their costs but gain very little in return since everybody does the same. A popular move is to emphasize regional and global importance the Games would hold on each host: be it the rise of a new region, bridging different worlds or the revival of a familiar area. Also, it is often thought to be an advantage if the bidding city is located on a different continent as the previous host for the sake of diversity. Putting the location of the event in the spotlight and playing some geopolitical cards is therefore very important in the bidding process.

As it turns out, all the bidding cities, and not just winners, can harvest the image boosting effects of the Olympics. A certain element of bluffing is therefore included in the bidding process because cities can gain governmental support, heightened attention and improved image already by just bidding. This may cause a free-rider mentality dilemma where bidders might not want to actually win the bid.¹¹¹ Some emerging countries might see that as an opportunity to get worldwide publicity and soft power gains at a lower price, although they must be prepared for negative international attention and possible critique as well. Giulianotti warns about soft disempowerment which “may occur when the attempt to gain

¹⁰⁹ Feddersen; Maennig; Zimmermann; 2008.

¹¹⁰ Wallerstein, Immanuel. “The Olympics and Geopolitics“, Commentary No. 267, October 15, 2009. <http://iwallerstein.com/the-olympics-and-geopolitics/>, viewed 27.12.2015.

¹¹¹ Preuss, 2004. Here p 290.

soft power backfires, so that influence and prestige are undermined rather than enhanced.”¹¹² In addition, to rule out free-riding, IOC has prohibited international promotion during the applicant phase and also demands a non-refundable fee from all applicants. This, however, does not stop potential hosts from going head to head and including geopolitical motives in their campaigns.

Additionally, the bidding process can be seen as a geopolitical confrontation line between different countries and cultures. Wallerstein wrote about the host city elections of 2016 Summer Olympic Games, where Rio de Janeiro was announced the winner ahead of Madrid, Tokyo and of Chicago, and argued for a geopolitical rationale behind that decision which favored Brazil as the representative of South. He claimed it was a symbolic loss especially for the United States, as the leader of North, by saying that „losing a vote on an Olympic site is not as bad as having U.S. bases in Afghanistan overrun by Taliban, but it’s part of the same picture.”¹¹³

Secondly, “every host city of the Olympic Games, or any other mega-event, operates within its own complex and contested geopolitical histories”¹¹⁴. Since the Olympics provide means and even encourage hosts to display the history, culture, people and nature of the country, it is only natural to find geopolitical meaning in the Olympic narratives created in the staging of the Olympic Games. Especially revealing in this sense are the opening and closing ceremonies. In 2008, for example, China managed to stun the world and work up its image with the massive opening ceremony for Beijing Olympic Games showing its rich history, dominance in the region and growing global importance. The Olympic torch relay can also be used to mark places of importance. Such was the case with Sochi 2014 where the Olympic flame reached the Arctic circle, outskirts of Russia, the bottom of lake Baikal and even space in an attempt to present Russian grandeur and presence in all geographically and politically significant sites. Olympics can also be seen as historically consistent features inherent to potential hosts past and present. Dawson suggests that ongoing

¹¹² Giulianotti, 2015. Here p 290.

¹¹³ Wallerstein, 2009.

¹¹⁴ Foxall, Andrew. “Geopolitics, Genocide and the Olympic Games: Sochi 2014”, *ACME: An International E-Journal for Critical Geographies*, Vol. 14 Issue 2, 2015, p622-630. Here p 628.

campaigns of developing areas “have historical antecedents that were part of a transnational phenomenon.”¹¹⁵ By trying to host smaller events like Pan-American Games or Commonwealth Games these cities and states have tried to come out of the periphery and claim their regional dominance and international importance. Now they are ready for the next level which means applying for the Olympics.

Thirdly, the Olympic Games represent an opportunity to measure and demonstrate the success and modernity of nations. According to Black and Peacock, these are the most commonly pursued objectives of hosts from rising developmental states. They present four “demonstration effects” characteristic to emerging Asian countries’ in regards to hosting sporting mega-events: the “blend of intense nationalism and eager internationalism” inherent both to mega-events and to developmental states’ pursuit of modernity; “direct government involvement in major sporting events”; “the willingness of governments to allocate massive public expenditures to the hosting of such events”; and motivation from regional rivalry.¹¹⁶ Intense nationalism and internationalism combined with regional rivalry provide a perfect platform for the emergence of geopolitics. The urge for becoming a regional leader, proving its modernity and establishing oneself internationally then become main goals of an emerging country. And “hosting sporting mega-events legitimizes and ritually represents the truly modernized arrival of a (developmental-turned-developed) state”¹¹⁷ Similar conditions of rivalry for both regional dominance and international influence were also more distinctly present in Europe in the 20th century. Whereas geopolitics might not be as important for European countries from the end of the Cold War, it could be said that the actions of emerging countries today are reflecting the golden age of geopolitics and sport in Europe a few decades back.

¹¹⁵ Dawson, Michael. “Putting cities on the map: Vancouver’s 1954 British Empire and Commonwealth Games in comparative and historical perspective”, *Urban Geography*, Volume 32, Issue 6, 2011, pp 788–803. Here p 799.

¹¹⁶ Black, David; Peacock, Byron. “Catching up: understanding the pursuit of major games by rising developmental states”, *The International Journal of the History of Sport*, Volume 28, Issue 16, 2011, pp 2271–2289. Here p 2274.

¹¹⁷ Black; Peacock; 2011. Here p 2277.

Fourth, physical location of the Games, its venues and related practices of gentrification and urban development often reveal geopolitical aspirations of the host country. The space surrounding Olympic sites is subject to extensive improvements to meet Olympic standards and portray the city in as good light as possible. Structures and the overall image of the city is meant to represent the best features of the region, country and government regime. Hosting the Olympics in somewhat peripheral or conflictual locations can strengthen the stronghold and provide international legitimacy for the ruling regime in the region. Sochi Olympic Games, for example, helped Russia reinforce its presence in the problematic regions of North-Caucasus and Abkhazia. In Vancouver 2010, interests of First Nation groups were largely dismissed despite their efforts to draw “significant public attention to the city as a site of colonial violence, both past and present”¹¹⁸. In softer cases, leaders of geographically isolated regional cities in relatively wealthy countries hope the Games would put them “on the map”.¹¹⁹

In many cases special legislation is adopted to allow for quick changes in city infrastructure, raise the power of law enforcement agencies and limit people’s freedom of movement, - protest and –self-expression.¹²⁰ In the process of preparing for the Sochi Olympics, the Russian State Duma passed “the Olympic Law which provides the legal framework for transforming Sochi into an Olympic city and, importantly, lays out the process governing land acquisition for the purpose of building Olympic facilities”¹²¹ Consequently, the state can freely shape the Olympic landscape to match the concepts and images intended for the world to see. Many Olympic critics write about negative effects of such behavior of states addressing issues like criminalization of homelessness, destruction of low-income housing and forceful gentrification of parts of town.¹²² It is all done to leave an impression of the host as a high functioning, clean and friendly city and country.

¹¹⁸ Springer, Simon. „Olympic Violence: Memory, Colonialism, and the Politics of Place“, ACME: An International E-Journal for Critical Geographies, Vol. 14 Issue 2, 2015, p631-638 . Here p 633.

¹¹⁹ Dawson, 2011. Here p 791.

¹²⁰ Toohey, Kristine . Taylor, Tracy. „Surveillance and securitization: A forgotten Sydney Olympic legacy“, International Review for the Sociology of Sport, 47: 324, January 2012. p 324 - 337. Here pp 324, 332.

¹²¹ Foxall, 2015. Here p 625.

¹²² Lenskyj, 2008; Springer, 2015.

However, this geopolitical make-up is often applied by force and can have devastating effects on less fortunate native and local residents.

Finally, the Olympic Games as a celebration of the nations “can clearly operate as a force that provides considerable cultural reinforcement for those who wish to preserve older structures and boundaries — and, indeed, to (re)construct new ones.”¹²³ This can be seen in geopolitical self-determination and the use of the Olympics as a symbol of high performance to rebrand the country’s image and to construct national legacies and heroes. Host governments of emerging countries are often interested in portraying themselves in ways to become accepted as members of a certain geopolitical entity. Azerbaijan and Turkey, for example, have applied many times to host the Olympic Games and other mega-events with intentions of showcasing their “Europeanness”.

2.4 Corruption

The hosts for Olympic Games are selected by the members of the IOC in a secret ballot. Over the years, many scandals have been revealed involving the IOC, OCOGs, NOCs and politicians of bidding countries which suggests that corruptive practices might have significant effect on the bidding outcome. Although the IOC’s official policy is to fight all forms of corruption, and it has gone through reform to minimize all possibilities of it, corruption allegations still arise from time to time. Corruption on three different levels should therefore be examined: on transnational level, discussing problems with the IOC; on national level, examining the corruption within candidate states; and in terms of media bias.

First, the corruption of the governing institution of all things “Olympic” should be examined. There are currently 99 members to the IOC and it is up to them to elect the hosts for the Olympic Games. Influencing those 99 people to favor a certain bid has therefore been a common practice amongst bidding countries. Up until 1999 before IOC reforms it was quite usual for candidate cities to invite IOC members to come visit the city and then treat them like royalty in hopes to secure votes. This approach grew as far as giving each IOC member personal evaluations. Douglas Booth describes how “acquiring personal

¹²³ Rowe, 2003. Here p 291.

information about IOC members became essential after Los Angeles [1984]” and adds that “candidate cities compiled dossiers describing IOC members’ personal characteristics, foibles, likes, dislikes, preferences, indifferences, interests and concerns.”¹²⁴ Based on this information, each member would then receive special treatment. “Pandering to IOC members became the recipe for winning hosting rights”¹²⁵ and many host city candidates pursued friendly relationships with as many IOC members as possible. Besides royal treatment and nourishing the members’ egos, lavish gifts, cash payments and special favors to the IOC, its members and their families has also been common. Such cases have been discovered in relation to a succession of Olympic Games. To name a few: prior to the election of Nagano as host for the 1998 Winter Olympic Games the president of Japanese Olympic Committee donated 20 million US dollars to the Olympic Museum, the members of Sydney 2000 and Salt Lake City 2002 organizing committees were accused of bribing the members of the IOC and providing scholarships and medical services to them or their families.¹²⁶ Relying on such facts, one could almost suggest that votes and ultimately the hosting rights for the Olympic Games can be bought. One explanation of the Olympic drift towards emerging countries could therefore simply be that newly-rich countries are out image-shopping and the bids are won with bribes. Although I do not believe such a grim scenario to be true, I have to acknowledge that corruptive notions in the Olympic movement can affect bid outcomes.

In 1999, following several corruption scandals in relation to awarding the 2002 Winter Games to Salt Lake City and in an attempt to clear its reputation, IOC adopted new rules governing the designation of Olympic Games host cities. Amongst 50 proposed rule changes was the adoption of a new two-phase candidature process which relied on the Candidature Acceptance Working Group’s technical evaluations of applicant cities and condemned IOC members’ visits to the candidate cities.¹²⁷ “Thus the corruption crisis

¹²⁴ Booth, Douglas. “Olympic city bidding: An exegesis of power”, *International Review for the Sociology of Sport*, 46(4), 2011, pp 367–386. Here p 374.

¹²⁵ Booth, 2011. Here p 373.

¹²⁶ Wamsley, 2002; Hasan, Kate. „Host City Selection: Reforms to the Selection Process“, *UNSW Law Journal*, Volume 22(3), 1999, pp 829-842.

¹²⁷ Report by the IOC 2000 Commission to the 110th IOC Session, IOC, 1999.

forced the IOC to shift the balance of different forms of power in the bidding process from reward power to technical power”¹²⁸ Or so it would seem. Although the gathered technical information provides an objective ranking list of the applicant cities, it has little effect on determining the winner. For example, “...the IOC’s Candidature Acceptance Working Group which assessed applicant cities for 2016 ranked [the final winner] Rio de Janeiro the lowest of the final four candidates...”¹²⁹ Some critics also suggest that most of the “50 reforms” were quite trivial and that the whole reform process can be considered as merely a public relations trick to save the image of the IOC and its corporate sponsors.¹³⁰ Others point out that despite the increased importance of technical evaluation and regulations limiting the interactions between IOC members and representatives of applicant cities, plotting and scheming still continues. Booth writes about the use of third parties and middlemen, who supposedly have influence on the members of the IOC, and plans for secret public relations campaigns against rivaling candidate cities.¹³¹ Therefore, problems still exist.

I would suggest, nevertheless, that the reforms were successful in terms of highlighting the IOC’s problems with corruption, deeming it unacceptable and making IOC members and potential future hosts very cautious when considering engaging in somewhat corruptive practices. However, the corruption level of potential host countries might alter the extent of this effect. It could be suggested that it is easier to host the Olympic Games in more corrupt systems and that countries with higher corruption levels are more likely to win bids because the possibility of them using corruptive approaches in the bidding process remains higher despite the reforms.

Kevin Wamsley says that despite of “a long history of corrupt practices” and other scandals involving doping and judging fiascos “the IOC has relinquished little control over thought and practice in global sport.”¹³² Some of it can be attributed to biased media representation

¹²⁸ Booth, 2011. Here p 380.

¹²⁹ Booth, 2011. Here p 380.

¹³⁰ Jennings, Andrew. „Investigating corruption in corporate sport: The IOC and FIFA“, *International Review for the Sociology of Sport*, Volume 46(4), 2011, pp 387–398.

¹³¹ Booth, 2011. Here pp 375, 377.

¹³² Wamsley, 2002. Here p 407.

and corruptive practices in the relations between the IOC, host governments, private companies and the media. Helen Lenskyj suggests that governments and private entrepreneurs as well as big media companies themselves are interested in controlling Olympic-related news. She says that for a long period of time “bribery and corruption in the bid process largely escaped media scrutiny, despite the whistle-blowing efforts of a small number of journalists.”¹³³ There are examples of paying journalists for “sympathetic articles”, publishing pro-Olympic books and “invitations to lavish parties held by bid committees.”¹³⁴ According to Lenskyj, journalists have also avoided producing negative news in fear of being denied accreditation for the Olympic Games by the IOC.¹³⁵ Positive-sided coverage is also important for the large broadcasting companies who have invested millions or even billions in the Olympics. With stakes as high as that, bias is easily formed. Groups interested in controlling Olympic related media might therefore prefer emerging countries as hosts because similar practices could be more easily implemented in countries with lower levels of media freedom.

¹³³ Lenskyj, 2008. Here p 23.

¹³⁴ Lenskyj, 2008. Here pp 24-25.

¹³⁵ Lenskyj, 2008. Here p 25.

3. EMPIRICAL ANALYSIS

The main objective of the empirical analysis is to explore bids for the Olympic Games, determine instrumental factors for winning bids and empirically test the established hypotheses. Let us start with examining some historical background of Olympic bidding.

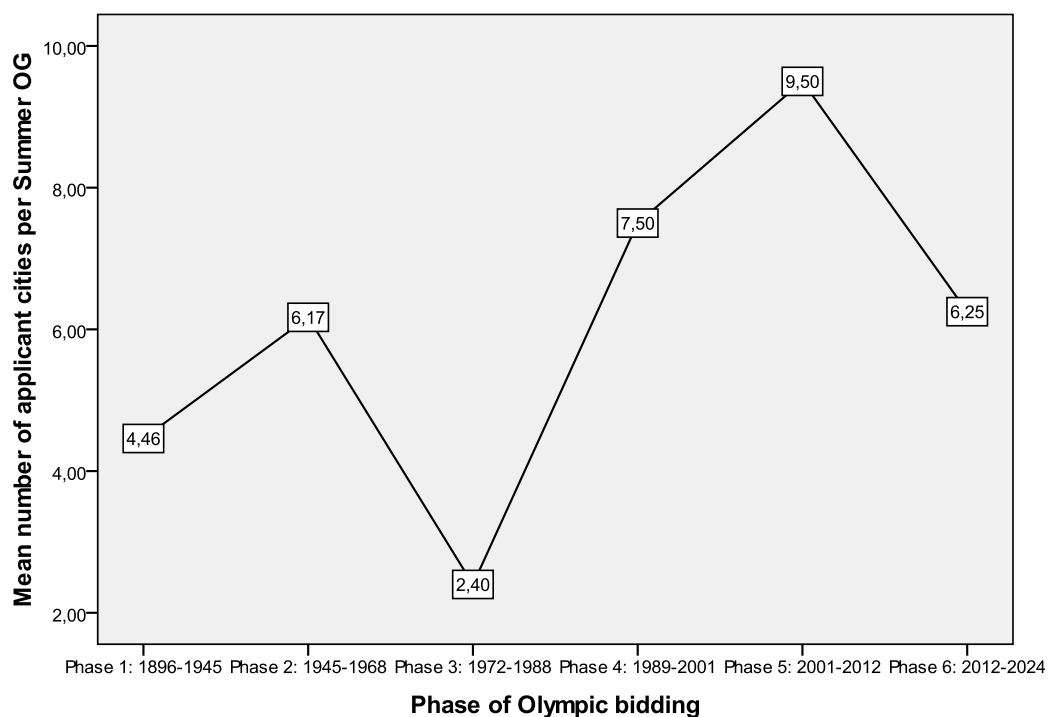
Feddersen and colleagues describe 5 phases of changes in the total number of applicant cities.¹³⁶ In the first two phases of their categorization, spanning the years from 1896 to 1968, the Games were a lot smaller and less costly and the number of applicants was influenced more by reputational factors rather than economic ones (apart from being in the “wealthy club of nations” that could afford it). The first phase (1896 – 1945) was led by the influence of the founders of modern Olympics who at first preserved the event for higher class male participants of the western culture and the number of applicants was therefore low. With the growing popularity of the Olympic Games and strong action on part of female and working class athletes to be eligible for participation, modifications were made to the Olympic movement which allowed it to become the global phenomenon it is today. By opening up to new sports and participants while providing political outputs to different ideologies, the second phase (1945 – 1968) after World War II brought along a significant increase of interest in hosting the Games. Then, from 1960s, economy stepped in as one of the main determinants when considering hosting. First, it produced a decline as third phase kicked in with high costs of the 1964 Games acting as deterrent for some countries. These concerns were overcome in the 1980s after “the Games in Los Angeles and Seoul were regarded as financially successful”¹³⁷ and the East–West conflict settled down. From the late 1980s to 2001, during the fourth phase (1989 – 2001), the number of applicant cities was once again high due to the end of the Cold War and rediscovered hope of winning both materially and in terms of image creation through the hosting of the Olympic Games. In 2001, after a corruption scandal and changes in the election procedure, the fifth stage (2001 – 2012) went into progress providing more transparency and therefore increasing interest to bid even further. I believe that the Olympic Games have now entered the sixth phase of

¹³⁶ Feddersen; Maennig; Zimmermann; 2008.

¹³⁷ Feddersen; Maennig; Zimmermann; 2008.

Olympic bidding which in ways reflects some previous phases. At one point, as the costs of hosting have once again increased, similarities with the fourth phase can be observed as the total number of bids is decreasing. On the other end though, similarities with the second phase are evident amongst emerging countries who have just reached new levels of development and wealth and are showing increasingly more interest towards hosting the Olympic Games. The phases of Olympic bidding are shown in Figure 1.

Figure 1: Phases of Olympic bidding, Summer Olympic Games



Source: Feddersen, Maennig, Zimmermann, 2008; Author. Graph by author.

When comparing the total number of bids submitted by developed countries to those submitted by developing and emerging countries, it is noticeable that the number of bids is in decline for the developed world and on the rise for emerging countries. By today, bidding for the Olympics is no longer dominated by rich Western countries as the growing amount of bids submitted by less developed countries has leveled the field. Figure 2 and Table 1 illustrate these trends.

Figure 2: Total number of Olympic bids.

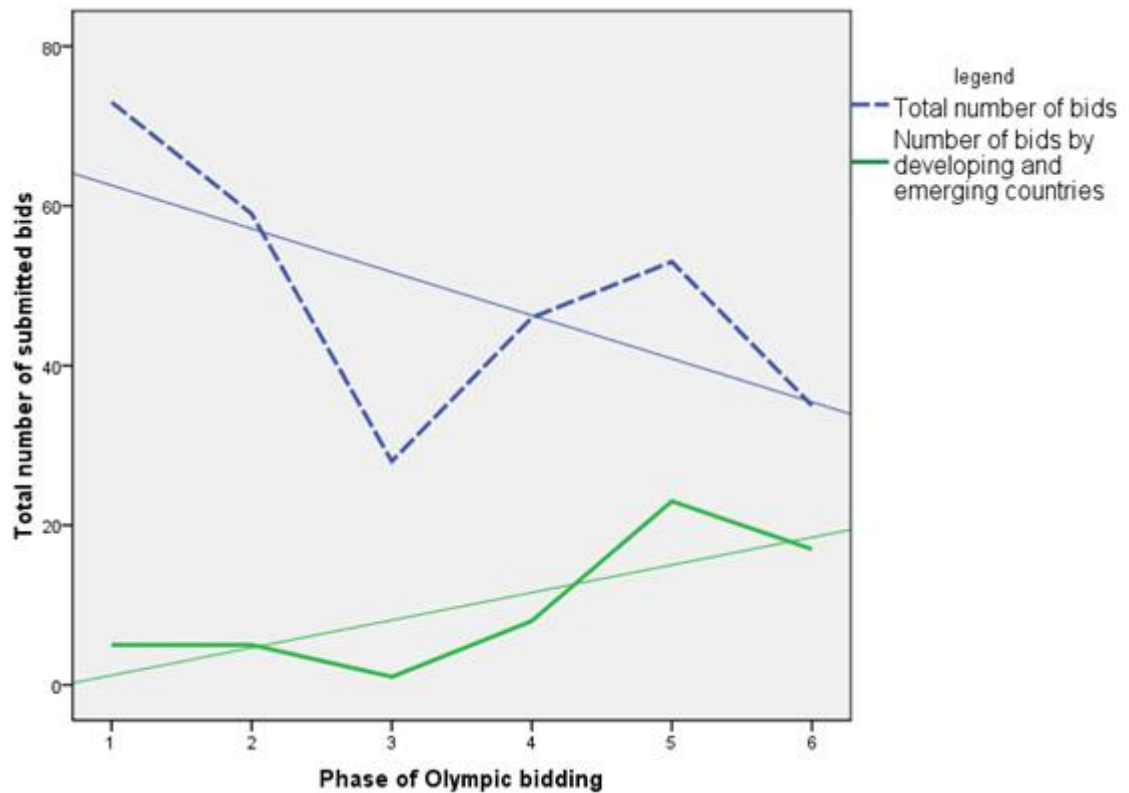


Table 1: Bids by developed and emerging countries for Olympic Games 2008-2022

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Developed country	29	51,8	51,8	51,8
	Emerging country	27	48,2	48,2	100,0
	Total	56	100,0	100,0	

3.1 Methodology

Olympic Games as the biggest, most influential and most iconic global sporting festival was chosen for the assessment of current trends in international sport and politics. The Olympic Games are governed by the rules of the IOC and held biannually which means they provide constant and comparable data. The beginning of the drift of sports mega-

events towards emerging countries was signaled by Beijing 2008 Olympic Games which was taken as a starting point of interest. The idea was to look at all the bids made for hosting the Games and test a selection of variables for their influence on winning. The Olympic Games host cities are elected 7 years prior to the Games. However, for each bidding country, data from one year previous to the selection of hosts was gathered because this was the latest available data at the time the decisions were made. For example, data from the year 2000 was used for applicants competing for hosting 2008 Summer Olympic Games.

All together 56 bids for hosting 8 Summer and Winter Olympic Games in the years from 2008 to 2022 were investigated. Values for 9 different variables were then gathered for each of these bids. Olympic bid outcome was taken as the dependent variable to which a value of 1 was given when the bid was successful and a value of 0 when the bid was unsuccessful. There were 8 winning bids and 48 losing bids. Independent variables were selected to measure characteristics attributed to one of the four hypothesis. Table 2 displays the hypotheses, independent variables and their measurements used in this research. The use of these variables is further explained in the following sub-chapter.

Table 2: Hypotheses, variables and measures.

Hypothesis	Independent Variable	Measure
Economic and market mechanisms	GDP (nominal)	Scale, interval
	Market mechanisms	Binary (1=new market; 0=not a new market)
Political regime	Polity score	Scale, interval (-10...+10)
	Freedom index	Scale, interval (1...7)
	Freedom of press	Scale, interval (0...100)
Geopolitical aspirations	Geopolitical aspirations	Binary (1=existent; 0=not existent)
Corruption	CPI	Scale, interval (0...10)
	Observed corruption cases	Binary (1=corruptive methods used; 0=no evidence of corruption)

Emerging countries were determined according to the classifications of IMF World Economic Outlook 2014. Countries referred to as developing and emerging market economies by the IMF were given the value of 1, developed countries were given the value of 0.

Independent variables and their central tendencies were explored separately at first. Finally, bimodal logistic regression was performed to assess the combined effect of the independent variables on the bid outcome. SPSS Statistics was used for all the calculations.

3.2 Variables explored separately

The average differences between developed and emerging countries were examined first. Mean values of independent variables provided in Table 3 were later used to evaluate whether differences between bid winners and losers could be rather attributed to developed or emerging countries.

Table 3: Descriptive statistics of developed and emerging countries.

Descriptive Statistics		
Emerging country	N	Mean
Developed country		
GDP (nominal) millions of USD	29	2467067,83
Market mechanisms	29	,10
Polity score	28	9,61
Freedom index	29	1,172
Freedom of press	29	20,31
Geopolitical aspirations	29	,24
Corruption perceptions index	28	7,071
Observed cases of corruption	29	,14
Bid outcome	29	,10
Valid N (listwise)	28	
Emerging country		
GDP (nominal) millions of USD	27	777719,22
Market mechanisms	27	,89
Polity score	27	,70
Freedom index	27	4,426
Freedom of press	27	62,56
Geopolitical aspirations	27	1,00
Corruption perceptions index	25	3,900
Observed cases of corruption	27	,15
Bid outcome	27	,19
Valid N (listwise)	25	

3.2.1 Economic and market mechanisms

To assess the effect of economic and market mechanisms on the outcome of the Olympic bidding process, two variables were selected: economic capacity of the host country and being a new market for the Olympic Games.

The first question of interest lies in whether a country's economic might has an effect on the Olympic bid outcome. Comparison of bidding countries' nominal GDP, measured in millions of USD, was used for this purpose. International Monetary Fund's World Economic Outlook Database was used to provide the data.¹³⁸

Table 4 shows the comparison between descriptive statistics of 2008-2022 Olympic bids winners and losers nominal GDP values. Some differences between successful applicants and unsuccessful ones based on their GDP size were indeed noticeable.

Table 4: Descriptive statistics of bid winners and losers nominal GDP.

GDP (nominal) millions of USD

Bid outcome	Mean	N	Std. Deviation	Median	Maximum	Minimum
lost the bid	1420517,67	48	2801693,900	558390,50	14718575	1456
won the bid	3044817,25	8	3409360,331	1443735,00	10380380	752523
Total	1652560,46	56	2918230,071	639318,50	14718575	1456

Source: IMF World Economic Outlook Database, October 2014; World Bank Databank.

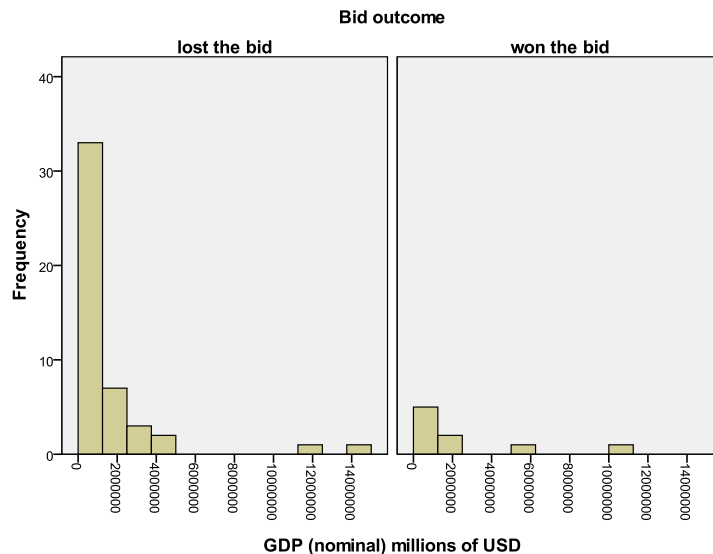
The mean GDP value of the winners is more than twice as high as the mean GDP value of losers (3 trillion USD for successful bids and 1,4 trillion USD for unsuccessful bids). Median GDP values of winners and losers differ even more so it could be stated that bigger economies generally have an advantage for winning Olympic bids. Additionally, a minimum GDP value needed for a successful bid emerged. Since the year 2000, no country with GDP lower than 752 billion USD has been granted the right to host Olympic Games. Standard deviations though are very high which means that there are huge differences in

¹³⁸ IMF World Economic Outlook Database, October 2014. Data for Cuba and Andorra from World Bank Databank <http://databank.worldbank.org/data/home.aspx>, viewed 04.02.2015.

GDP levels of different countries bidding for the Olympics and very high or very low figures might distort the values of central tendencies.

Due to heavy skewness, the absence of a normal distribution and differences in sample sizes between the two groups, performing a t-test for the equality of means loses its power and can not be considered very trustworthy. The similarities of the groups of bid winners and losers become noticeable on the histograms (Figure 3). Both graphs have a positive skew and it is noticeable that arithmetic mean and median do not represent the most number of cases. The main difference between to two groups comes from the large number of losing bids (N=48) and a small number of winning bids (N=8). Despite the low number of cases, the relative amount of bids on the lower end of the scale is smaller on the winning side.

Figure 3: Histograms, GDP values of losing and winning bid countries.



Source: World Economic Outlook Database, October 2014; World Bank Databank. Graph by author.

It can be concluded that there are differences in average GDP levels of Olympic bid winning and losing countries but they are not very significant. It can still be argued though that a country who wants to host the Olympic Games must have high GDP but that

differences in GDP do not translate to higher or lower probability for winning the bid. Lower GDP on the other hand can inhibit the chances of winning.

Since GDP values are on the average higher amongst developed countries it is most likely that differences in GDP are not causing the drift towards emerging countries.

Secondly, the hypothesis of IOCs expansion to new markets was investigated. All of the 56 bids for hosting 2008 – 2022 Summer and Winter Olympic Games were evaluated as whether being a new market for the Olympic industry or not. All bidding cities from countries which had previously hosted at least one Summer or Winter Games were counted for as “not a new market”. Cities representing countries which had never held the Olympic Games before the year 2008 were considered “new markets”. Of the total 56 bids, 27 were determined as new markets and 29 as established old markets. Amongst the winning bids only 3 out of 8 were representatives of new markets and amongst losing bids there was an equal number of applicants representing new and old markets for the Olympic Games (see also Table 5).

Table 5: Countries considered as new markets for the Olympic Games amongst winning and losing bids.

Bid outcome			Frequency	Percent	Valid Percent	Cumulative Percent
lost the bid	Valid	not a new market	24	50,0	50,0	50,0
		new market	24	50,0	50,0	100,0
		Total	48	100,0	100,0	
won the bid	Valid	not a new market	5	62,5	62,5	62,5
		new market	3	37,5	37,5	100,0
		Total	8	100,0	100,0	

There is a roughly equal number of applicants from countries that might be considered as new markets for the Olympic movement and from countries who have hosted the Games before. In the so called new era of the Olympic Games, being a “new market” does not seem to be an advantage for winning bids though. The hypothesis which explains the drift

of the Olympic Games towards emerging countries as a market mechanism and the IOCs expansion to new markets is therefore disproven.

3.2.2 Political regime

To assess the effects of political regime on the outcome of the Olympic bid process, three different variables were used: polity score, freedom index and freedom of press score.

First, the effect of regime type was analyzed. Polity scores of the Polity IV project were used to determine differences between bid winners and losers based on their level of democracy. Polity IV provides a polity score ranging from -10 to +10 for each year and country. Countries with scores from -10 to -6 are considered autocracies, from -5 to 5 anocracies and from 6-10 democracies. Only countries with the highest value of 10 are considered full democracies.

Table 6 shows the comparison between descriptive statistics of 2008-2022 Olympic bids winners and losers polity scores.

Table 6: Descriptive statistics of polity scores for Olympic bid losers and winners.

Polity score

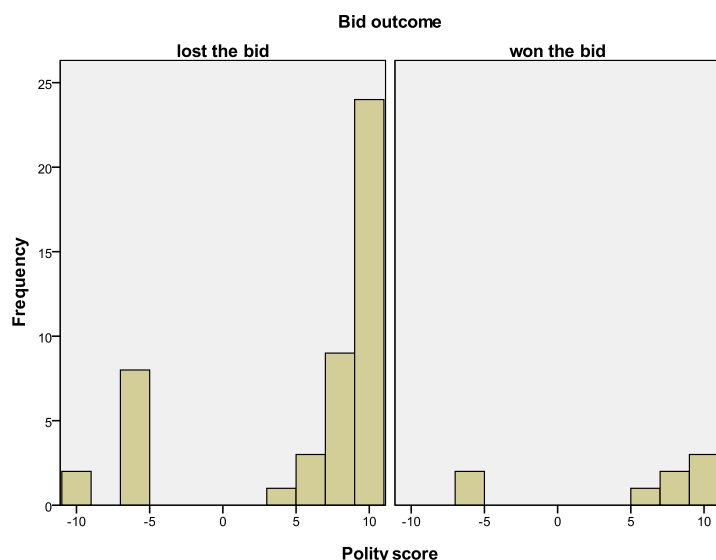
Bid outcome	Mean	N	Std. Deviation	Median	Range	Minimum	Maximum
lost the bid	5,32	47	6,843	9,00	20	-10	10
won the bid	4,75	8	7,382	8,00	17	-7	10
Total	5,24	55	6,856	8,00	20	-10	10

Source: The Polity IV dataset, Center for Systemic Peace, 2014.

It could be noted that both mean values are below the boundary score of 6 required to be classified as a democracy which confirms the high interests of non-democracies to bid for the Olympic Games. Also, mean and median scores of the winners appear to be slightly lower which suggests that less democracy is better for winning bids. However, the minimum score for winning bids is higher than the minimum score for losing bids which allows to suggest the opposite. Furthermore, histograms of winning and losing bids (Figure

4) are very similar which suggest that the differences between the two groups are not very significant. Due to the absence of a normal distribution of the variable and differences in sample sizes, running a t-test for the equality of means would not provide meaningful results.

Figure 4: Histograms: polity scores of bid losers and winners.



Source: The Polity IV dataset, Center for Systemic Peace, 2014. Graph by author.

Despite of the small differences between central tendencies, the data still provides knowledge which favors less democratic countries in the bid outcome. The main difference visible on the histograms is the relatively higher amount of countries with the highest possible polity score amongst losing bids as compared to winners. When countries are divided into democracies and non-democracies based on their polity scores, these tendencies become even more evident. Amongst the losing bids 70,2% could be categorized as democracies, whereas amongst the winning side the equivalent number was 62,5%. Additionally, the differences in minimum values become irrelevant because there were 25% of bids by countries considered to be autocracies (score -6 or lower) amongst the winning bids and only 21,3% bids by autocracies amongst losing bids. Furthermore, only 3 out of 8 winning bids were those of countries considered to be full democracies. Therefore, less

democracy could be considered somewhat useful to the success of an Olympic bid. This also suggests that political regime may be considered as a factor which contributes to the Olympic drift since polity scores are remarkably lower amongst emerging countries.

Secondly, freedom indexes and the freedom of press of bidding countries were investigated. Based on the gathered theoretical evidence it was expected that countries with lower freedom values would prove to be more successful in winning Olympic bids. Freedom House rates countries for their political rights and civil liberties on a 7 point scale (1 being the most free and 7 being the least free). For this analysis, each country's values for political rights and civil liberties were combined and the arithmetic mean was used as the freedom index. Countries with index values from 1 to 2,5 were considered as being free, from 2,51 to 5,5 as being partly free and from 5,51 to 7 as not being free. For the freedom of press, scores provided by Freedom House were used which range from 0 (most free) to 100 (least free). On the basis of the scores, countries were considered to have free press (0 to 30), partly free press (31 to 60) or not to have free press (61 to 100).

The descriptive statistics (Table 7) show a slight difference in favor of less free countries. All central tendencies of the winners are higher which refers to somewhat lower freedom levels in winning countries. The differences are bigger for the freedom of press. It could be presumed that less freedom, and particularly less freedom of press, is helpful for winning Olympic bids. Although the differences are very small and a look at the histograms (Figure 5) and further examination of the data helps to clear the picture.

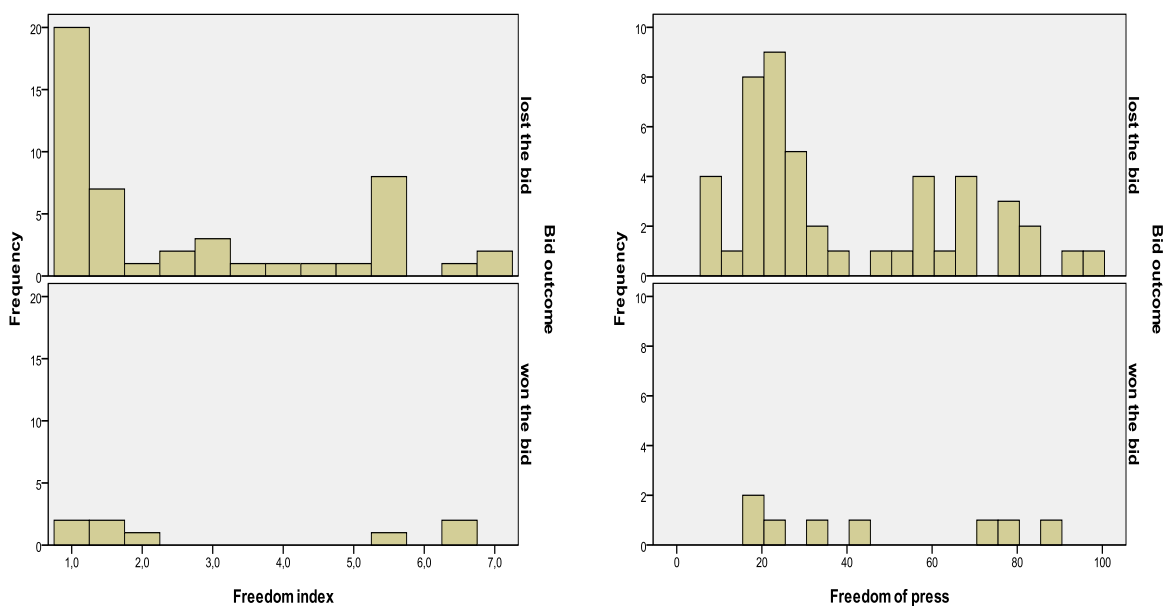
Table 7: Descriptive statistics of freedom index and freedom of press for Olympic bid losers and winners.

Bid outcome		Freedom index	Freedom of press
lost the bid	Mean	2,667	39,67
	N	48	48
	Std. Deviation	2,0299	25,850
	Median	1,500	28,00

won the bid	Mean	3,188	46,75
	N	8	8
	Std. Deviation	2,5062	29,065
	Median	1,750	37,00
Total	Mean	2,741	40,68
	N	56	56
	Std. Deviation	2,0867	26,169
	Median	1,500	29,00

Source: Freedom House Freedom in the World: Country Rankings 1972 – 2014; Freedom House Freedom of the Press: Scores and Status 1980 – 2015.

Figure 5: Histograms: freedom index and freedom of press of bid losers and winners.



Source: Freedom House Freedom in the World: Country Rankings 1972 – 2014; Freedom House Freedom of the Press: Scores and Status 1980 – 2015. Graphs by author.

Histograms of freedom indexes show that countries considered as most free are the main bidders for Olympic Games. Their relative importance is much higher amongst the losing bids though. The winning side has winners on the both ends of the scale and does not seem to have any emerging groups based on their freedom levels. Interestingly, both winning and

losing sides have exactly 62,5% of countries who are classified as being free on the basis of the freedom index. This leads us to an assumption that less freedom does not have an effect on winning Olympic bids. More freedom on the other hand seems to be an inhibitory factor for winning.

Similar things can be said about the freedom of press. The amount of bids with lower scores (meaning higher freedom of press) is characteristic to the losers in Olympic bidding whereas the winning side does not have significant distinguishable groups on the basis of press freedom. However, there were 56,3% of bids on the losing side and only 37,5% of bids on the winning side by countries considered to have free press (score values 30 or lower). The freedom of press therefore seems to have a negative effect on winning Olympic bids.

It can be concluded that less freedoms does not have an effect on winning the bid, however more freedom seems to be detrimental for winning. The part of the hypothesis which states that it is easier to host Olympic Games in less free countries could therefore be considered true. This aspect also favors emerging countries and might contribute to the drift of hosting rights.

3.2.3 Geopolitical aspirations

Manifestations of geopolitical aspirations of the applicant countries were looked for in the reports of the IOC Evaluation Commission, the reports of the IOC Candidature Acceptance Working Group and in news media for each of the Olympic Games held between 2008 and 2022. Five different indicators were chosen to mark the existence of geopolitical incentives for hosting the Games. Because some geopolitical motivations for hosting the Olympics are often revealed in the final preparation processes or during the actual Olympic Games, only aspects referring to geopolitical aspirations observable prior to winning hosting rights were included. Most evident geopolitical manifestations of the Olympic Games like the symbolism of the torch relay and opening ceremonies were therefore excluded. Also, mere urban development plans and publicity were not included because they are an inevitable part of every Olympics. The selected indicators were: 1) specific emphasize on regional and

local importance of the Games, 2) seeking regional dominance and/or international status, 3) control over disputed areas, 4) geopolitical self-determination and 5) issues with forceful gentrification and land acquisition and/or the existence of special legislation to allow it. All the bids were then assessed on a binary basis and given a value of 1 when geopolitical aspirations were existent and a value of 0 when they were not existent. To classify for the “existent” group, at least one of the 5 indicators had to be met.

Geopolitical incentives for hosting the Olympic Games were noted for 60% of all the cases. This confirms the importance of geopolitical rationales when deciding for submitting a bid for hosting the Olympics in the first place. Table 8 presents the differences between bid winners and losers.

Table 8: Geopolitical aspirations of losers and winners of Olympic bids

Bid outcome			Frequency	Percent	Valid Percent	Cumulative Percent
lost the bid	Valid	No geopolitical aspirations	21	43,8	43,8	43,8
		Geopolitical aspirations noted	27	56,3	56,3	100,0
		Total	48	100,0	100,0	
won the bid	Valid	No geopolitical aspirations	1	12,5	12,5	12,5
		Geopolitical aspirations noted	7	87,5	87,5	100,0
		Total	8	100,0	100,0	

It is clearly evident that the existence of geopolitical aspirations is very characteristic to the winners of Olympic bids. Significant geopolitical themes could not have been attributed to only one out of eight successful bids. For non-successful bids, however, the number of applicants who had geopolitical aspirations in relation to hosting the Games was only slightly higher compared to ones who did not have such incentives. Furthermore, more than two indicators of geopolitical motives were noted on the average for winning bids.

Observed indicators of geopolitical aspirations for each of the bidding countries can be seen in the appendix.

It can be concluded that the existence of strong geopolitical aspirations are instrumental to winning Olympic bids. I would suggest that for states geopolitical goals attribute a meaningful purpose and additional value to hosting the Olympic Games. It is the pursuit of these goals which makes them more enthusiastic about bidding and ultimately makes their bids more successful. Important is also the fact that geopolitical indicators were discovered for all the bids of emerging countries while amongst the bids of developed countries geopolitical aspirations were noted only for a quarter of cases.

3.2.4 Corruption

Two variables were used to analyze the possible effects of corruption on the outcome of Olympic bids. Corruption Perceptions Index (CPI) provided by Transparency International was used to measure corruption of applicant countries and actual cases of corruption referring to certain bids were sought out to assess the use of corruptive means in relations with the IOC.

First, Corruption Perceptions index was used to evaluate the possible effect of the corruption within bidding countries to the outcome of Olympic bids. CPI is presented on a scale from 0 to 10 and it measures local perceptions of corruption, rather than the real phenomena, in different countries around the world.¹³⁹ On the scale, 0 refers to a country which is very corrupt and 10 to country which is considered to be very clean.¹⁴⁰ It was presumed that more corrupt systems would prove to be more successful in winning bids for the hosting rights of the Olympic Games. Although the actual differences in CPI were rather small, descriptive statistics shown in Table 9 reveal that on the average bid-winning countries have slightly lower CPI scores which means that they are more corrupt. Because of heterogeneity of the applicant countries and outliers in the data, median values could be

¹³⁹ Lambsdorff, Johann Graf. „Background Paper to the 2000 Corruption Perceptions Index“, Transparency International (TI) and Göttingen University, September 2000. Here p 6.

¹⁴⁰ In 2012, the scale was changed so that the values range from 0 to 100. Data for 2012 and 2014 was therefore divided by 10 to get a comparable dataset.

considered most suitable statistics to represent central tendencies of the variable. Median CPI of the losers was 6,4 against the winners 4,5. Therefore, it can be claimed that relatively more corrupt countries win Olympic bids.

Table 9: Descriptive statistics, CPI of Olympic bid losers and winners.

Corruption perceptions index

Bid outcome	Mean	N	Std. Deviation	Median	Range	Minimum	Maximum
lost the bid	5,609	45	2,1056	6,400	7,3	1,9	9,2
won the bid	5,388	8	2,6118	4,500	6,5	2,5	9,0
Total	5,575	53	2,1624	6,100	7,3	1,9	9,2

Source: Transparency International.

Interestingly, in 2008 Feddersen and colleagues stated the exact opposite.¹⁴¹ Their research was based on the bids for Summer Olympic Games from 1992 to 2012. They too investigated the level of corruption as one variable and used CPI as measurement. The fact that this research covers more recent cases and produces different results can be seen as further proof for the drift of the Olympic Games towards emerging countries.

Secondly, alleged corruption cases associated with the IOC were investigated. News media articles were followed over the course of one year in 2015 for any revealings of corruptive methods being used to secure votes for specific bids. Three different types of corruption were noticed: 1) bribery and expensive gifts, 2) use of middlemen, special deals and the influence of third parties 3) services to the IOC members and/or their families. Table 10 summarizes the findings. For all observed cases, see the appendix.

Table 10: Observed corruption cases of bid losers and winners.

Bid outcome			Frequency	Percent	Valid Percent	Cumulative Percent
lost the bid	Valid	No evidence of corruption	45	93,8	93,8	93,8
		Corruptive methods used	3	6,3	6,3	100,0
		Total	48	100,0	100,0	

¹⁴¹ Feddersen; Maennig; Zimmermann; 2008

won the bid	Valid	No evidence of corruption	3	37,5	37,5	37,5
		Corruptive methods used	5	62,5	62,5	100,0
		Total	8	100,0	100,0	

Corruptive methods were allegedly used only in relation to 8 bids, however. Despite the apparent connection between using corruptive methods and winning bids based on the descriptive statistics, these findings can not be considered very relevant for several reasons. First, alleged corruption is very hard to prove. Second, there is always more data for the winning bids and no one is usually bothered to reveal corruptive methods used in unsuccessful bids. Having that said, it was found that corruptive methods are still used in some cases by those who hope to win the right to host the Olympic Games. Furthermore, because the cases in this research are quite recent and corruption is sometimes exposed years later, the full extent of this variable might not be yet apparent.

3.3 Regression analysis

Binominal logistic regression was performed to determine the effects of the independent variables to the success of Olympic bids because of the binary nature of the dependent variable. The dependent variable used was the bid outcome (result) and the independent variables were the following:

- 1) GDP (nominal) millions of USD (gdp)
- 2) Market mechanisms (market)
- 3) Polity score (democracy)
- 4) Freedom index (freedom)
- 5) Freedom of press (freepress)
- 6) Geopolitical aspirations (geopol)
- 7) Corruption Perceptions Index (CPI)

The model summary of the logistic regression (Table 11) shows how much of the variance of the dependent variable can be explained with the variance of the independent variables. Based on the Nagelkerke R square value of 0,379 it can be said that the selected variables

account for 38% variance in the outcome of Olympic bids. Next, individual effects of each independent variable were assessed.

Table 11: Logistic regression model summary.

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	32,035 ^a	,217	,379

a. Estimation terminated at iteration number 7 because parameter estimates changed by less than ,001.

Table 12: Logistic regression, variables in the equation.

Variables in the Equation									
		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B)	
								Lower	Upper
Step 1 ^a	gdp	,000	,000	3,831	1	,050	1,000	1,000	1,000
	market(1)	-2,108	1,494	1,990	1	,158	,122	,006	2,272
	democracy	,060	,163	,136	1	,712	1,062	,772	1,461
	freedom	-,620	1,255	,244	1	,621	,538	,046	6,292
	freepress	,098	,126	,607	1	,436	1,103	,862	1,413
	geopol(1)	4,136	1,977	4,377	1	,036	62,526	1,299	3010,407
	CPI	,307	,471	,424	1	,515	1,359	,540	3,425
	Constant	-9,059	5,977	2,297	1	,130	,000		

a. Variable(s) entered on step 1: gdp, market, democracy, freedom, freepress, geopol, CPI.

In Table 12, contributions of all the variables to the outcome of bids can be observed. The logistic regression equation for predicting the dependent variable (p being the probability of winning a bid) was constructed on the basis of the coefficients and is presented as follows:

$$\ln(p/1-p) = b_0 + b_1*x_1 + b_2*x_2 + b_3*x_3 + b_3*x_3 + b_4*x_4$$

$$\ln(p/1-p) = -9,059 + (-2,108)*market + 0,06*democracy + (-0,62)*freedom + 0,098*freepress + 4,136*geopol + 0,307*CPI$$

The overall effect of GDP is shown to be significant but because of high variance, a single digit change has no effect (B=0) and that is why GDP was excluded from the equation.

The 2-tailed p-values provide statistical significance of the variables. 0,05 was selected as α value. Only two variables – GDP and geopolitical aspirations – proved to be statistically significant which mean they contribute most to the probability of winning Olympic bids. According to the regression, most probable bid winning countries would therefore be geopolitically motivated wealthy states. This description suits perfectly with the profile of emerging countries.

Exp(B) values in the table are odds ratios. Geopolitical aspirations, which was the statistically most significant variable ($p=0.03$), also has the biggest effect on the bid outcome. Based on the odds ratio, countries with existent geopolitical motives for hosting the Olympic Games have a 62,5 times higher probability of winning the bid.

Table 13 shows the explanatory power of the composed regression. Overall, 90,6% of all cases were predicted correctly. The logistical model has very good sensitivity as it managed to predict losing bids at 100%. The specificity, however, is not so good as only 37,5% of positive outcomes were predicted correctly. High explanatory value for losing bids and low explanatory value for winning could come from the significant difference in sample sizes.

Table 13: Logistic regression, classification table.

Observed			Predicted		
			Bid outcome		Percentage Correct
			lost the bid	won the bid	
Step 1	Bid outcome	lost the bid	45	0	100,0
		won the bid	5	3	37,5
Overall Percentage					90,6

a. The cut value is ,500

3.4 Summary of empirical analysis results

By comparing the central tendencies of bid losers and winners it was established that a high level of GDP, less democracy, more corruption and clear geopolitical motivations make up for a relatively more successful bid. Higher freedom levels tend to be inhibitory for winning. The supposed new-market effect for winning bids was disproven.

A binominal logistic regression was performed to estimate the effects of the independent variables on the likelihood that applicants win the rights to host the Olympic Games in the bidding process. The constructed model explained 38% (Nagelkerke R square) of the variance in winning the bid and correctly predicted 90,6% of all the cases. GDP and geopolitical aspirations were shown to be statistically most significant in determining the winner. The model was not very good though for predicting positive outcomes and the overall statistical significance of individual variables was weak.

The drift of international sport towards emerging countries was best described by geopolitical aspirations, host country corruption and political regime arguments. Political and press freedoms showed very little effect. Economic and market mechanisms had a slightly negative effect on the drift towards emerging countries and rather increased the winning potential of developed countries.

CONCLUSION

The first goal of this thesis was to determine why international sport is moving to emerging countries. Another goal was to prove the importance of political factors in the mega-event bid process. Four hypotheses to meet these goals were established, discussed in theory and empirically tested with data from eight Olympic Games to be held in the period between 2008 and 2022.

The first hypothesis proposed that the drift of international sport towards emerging countries is part of the IOCs expansion to new markets. Although theory and previous literature backed this theory, empirical evidence used in this research showed it not to be true. It was also assumed under this hypothesis that richer emerging countries had better chances of winning hosting rights. Although higher GDP was found to generally improve the winning probability, it did not specifically favor emerging countries. The hypothesis was therefore considered disproven altogether.

The second hypothesis stated that it was easier to host mega-events in less free regions and that less democratic countries are more likely to win bids. Both theoretical and empirical evidence supported these assumptions although the effect was considered statistically not very significant.

The third hypothesis said that geopolitical goals were pursued when bidding for hosting a sports mega-event. It was presumed that the bigger such aspirations are, the more eager the country is to host an event. The existence of geopolitical incentives was found to differ the most between the winners and losers of Olympic bids. It was therefore concluded that countries with clear geopolitical goals are more dedicated to the bidding process and more likely to win bids as a result.

The fourth hypothesis claimed that it was easier to host mega-events in more corrupt systems. Corruption levels were indeed found to be higher amongst the winning countries of Olympic bids. There was not enough evidence to support the supposed corruption of sports organizations and bribes on the outcome of bids though.

Because all three hypothesis which considered socio-political factors were proven and only the first hypothesis which considered economic and market mechanisms was disproven the importance of politics in organizing sports mega-event was also proven.

Further research could include other global sports mega-events like the FIFA football World Cup and some regional sports festivals like the European Games and Commonwealth Games. Possibly some other socio-political, economic and psychological variables could be included to further address the emergence of new players to the world stage.

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APPENDIX

Observed indicators of geopolitical aspirations and corruption

Observed Geopolitical aspirations:

- 0 – No significant geopolitical aspirations noted
- 1 – Specific emphasize on regional and local importance of the Games
- 2 – Seeking regional dominance and/or international status
- 3 – Control over disputed areas
- 4 – Geopolitical self-determination
- 5 – Issues with forceful gentrification, land acquisition and/or the existence of special legislation to allow it

Observed Corruption cases:

- 0 – No evidence of corruptive methods used
- 1 – Bribery and/or expensive gifts
- 2 – Use of middlemen, special deals and the influence of third parties
- 3 – Services to the IOC members and/or their families

Winning bids are marked with *

Applicant cities for Olympic Games	Observed geopolitical aspirations	Observed corruption cases
Beijing 2008 (China)*	1; 2; 3; 4; 5	2
Istanbul 2008 (Turkey)	1;2; 4; 5	0
Osaka 2008 (Japan)	0	0
Paris 2008 (France)	0	0
Toronto 2008 (Canada)	5	2
Bangkok 2008 (Thailand)	2	0
Cairo 2008 (Egypt)	2	0
Havana 2008 (Cuba)	2	0
Kuala Lumpur 2008 (Malaysia)	2	0

Seville 2008 (Spain)	0	0
Vancouver 2010 (Canada)*	1; 3	2
Bern 2010 (Switzerland)	0	0
Pyeongchang 2010 (South Korea)	1; 2	1
Salzburg 2010 (Austria)	0	0
Andorra la Vella 2010 (Andorra)	0	0
Harbin 2010 (China)	1; 2; 3, 4	0
Jaca 2010 (Spain)	1	0
Sarajevo 2010 (Bosnia and Herzegovina)	2	0
London 2012 (United Kingdom)*	5	1
Madrid 2012 (Spain)	0	0
Moscow 2012 (Russia)	2; 4	2
New York 2012 (United States)	0	0
Paris 2012 (France)	0	0
Havana 2012 (Cuba)	2	0
Istanbul 2012 (Turkey)	1; 2; 4;	0
Leipzig 2012 (Germany)	0	0
Rio de Janeiro 2012 (Brazil)	1; 2; 4; 5	0
Sochi 2014 (Russia)*	1; 2; 3; 4; 5	1
Pyeongchang 2014 (South Korea)	1; 2	0
Salzburg 2014 (Austria)	0	0
Almaty 2014 (Kazakhstan)	1; 2; 4	0
Borjomi 2014 (Georgia)	1; 2; 3; 4	0
Jaca 2014 (Spain)	1	0
Sofia 2014 (Bulgaria)	2; 4	0
Rio de Janeiro 2016 (Brazil)*	1; 2; 4; 5	0
Chicago 2016 (United States)	0	0

Madrid 2016 (Spain)	0	0
Tokyo 2016 (Japan)	0	0
Baku 2016 (Azerbaijan)	1; 2; 4	0
Doha 2016 (Qatar)	1; 2; 4	0
Prague 2016 (Czech Republic)	0	0
Pyeongchang 2018 (South Korea)*	1; 2	3
Annecy 2018 (France)	0	0
Munich 2018 (Germany)	0	0
Tokyo 2020 (Japan)*	0	0
Istanbul 2020 (Turkey)	1; 2; 4; 5	0
Madrid 2020 (Spain)	0	0
Rome 2020 (Italy)	0	0
Baku 2020 (Azerbaijan)	1; 2; 4	0
Doha 2020 (Qatar)	1; 2; 4	0
Almaty 2022 (Kazakhstan)	1; 2; 4	0
Beijing 2022 (China)*	1; 2; 3; 4	0
Kraków 2022 (Poland)	1; 2; 4	0
Lviv 2022 (Ukraine)	2; 4	0
Oslo 2022 (Norway)	0	0
Stockholm 2022 (Sweden)	0	0

Used sources: reports of the IOC Evaluation Commission for the Games 2008 – 2022, reports by the IOC Candidature Acceptance Working Group for the Games of 2010, 2012, 2014.

KOKKUVÕTE

Spordi suurürituste geopoliitika: miks on rahvusvaheline sport liikumas arenguriikidesse?

Viimastel aastatel on paljude globaalse ulatusega spordi suurürituste korraldamine antud tõusvate arenguriikide kätte. Paljudes arenenud riikides on selline trend põhjustanud vastakaid arvamusi kuna ühest küljest peljatakse peamiselt majanduslikel kaalutlustel suurüritusi ise korraldada ja samaaegselt ollakse jällegi häiritud vähemdemokraatlike arenguriikide tõlgendustest läänelikke väärtusi kandvate suurürituste korraldamisel. Kui varasemalt on korraldusõiguste omistamist mõjutavate faktorite uurimisel peamist tähelepanu pööratud tehnilistele ja majanduslikele näitajatele, siis käesolev magistritöö keskendus rohkem poliitilis-sotsiaalsetele muutujatele ja ajenditele. Uurimustöö käigus leiti, et geopoliitiliste kaalutluste olemasolu soodustab enim rahvusvahelise spordi liikumist tõusvate arenguriikide suunas.

Töö teoreetiline osa uuris spordi suurürituste ja globaliseerumise omavahelisi mõjusid. Leiti, et globaliseerumise ja rahvusvahelise spordi tavapärane käsitlemine ülemaailmse kultuurilise ühtlustumise kiirendajana ei vasta täielikult tõele. Oluliseks peeti spordi võistluslikust olemusest tingitud võimekust tugevdada rahvuslike emotsioonide esilekerkimist. Globaliseerumist vaadeldi spordi suurürituste kontekstis seega pigem keeruka nähtusena, milles segunevad globaalsed ja lokaalsed, rahvuslikud ja rahvusvahelised ning läänelikud ja mitte-läänelikud motiivid. Ühtlasi vaadeldi spordi suurüritusi asetatuna tsivilisatsioonide ja emotsioonide kokkupõrke keskpunkti. Olemasolevale kirjandusele tuginedes püstitati neli hüpoteesi, mis võiksid põhjendada arenguriikide edukust suurürituste korraldusõigustele kandideerimisel.

Magistritöö empiiriline osa võrdles 2008. – 2022. aasta Olümpiamängude korraldamisõiguse nimel võistlevaid kandidaatriike. Kokku uuriti iga 56 juhtumi juures kaheksat sõltumatut muutujat. Muutujate mõju ja statistilise olulisuse hindamiseks viidi läbi logistiline regressioonanalüüs.

Magistritöö esimene hüpotees väitis, et rahvusvahelise spordi liikumine tõusvatesse arenguriikidesse on põhjustatud Rahvusvahelise Olümpiakomitee soovist laieneda uutele turgudele. Magistritöös kasutatud andmete põhjal ei leidnud see väide aga kinnitust. Ühtlasi eeldati, et rikkamad arenguriigid omavad eelist korraldusõiguste võitmisel. Kuigi riigi kõrgem sisemajanduse koguprodukt omas üldiselt positiivset mõju, ei soosinud see eraldi arenguriike. Esimene hüpotees lükati uurimuse käigus seega ümber.

Teine hüpotees ütles, et spordi suurürituste korraldamine on lihtsam vähemdemokraatlikes ja vähemate vabadustega riikides. Väide leidis kinnitust nii teoreetiliselt kui empiiriliselt ehkki vastavate muutujate mõju polnud statistiliselt väga oluline.

Kolmas hüpotees väitis, et tõusvad arenguriigid on kõrgemalt motiveeritud spordi suurürituste korraldusõiguste võitmiseks geopoliitiliste püüdluste olemasolu tõttu. Vastav väide osutus empiirilise uurimuse käigus ka enim mõju avaldanud näitjaks.

Neljas hüpotees ütles, et spordi suurürituste korraldamine on lihtsam enamkorrumpeerunud riikides. Korruptsiooni tase oli Olümpiamängude korraldusõiguse võitnud riikide hulgas ka keskmiselt kõrgem kui kaotajatel.

Kõik kolm poliitilis-sotsiaalset hüpoteesi leidsid kinnitust ja ainult esimene majanduslikke ja turumehhanisme käsitlev hüpotees lükati ümber. Seega kinnitati magistritööga ka poliitiliste näitajate olulisust spordi suurürituste korraldusõiguste omistamisel ja spordi liikumises tõusvate arenguriikide suunas.