

Mega Events and the Urban Economy: What can Olympic Cities learn from each other?

Gavin Poynter

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Summary

1. Abstract	1
2. From Bid book to Event3	2
3. Lessons from London 2012.....	8
4. The Olympic Park Borders	14
5. Conclusion	16
References	21

1. Abstract

Cities have sought to host sports mega events to catalyse urban development and renewal. In several cities urban transformation was accelerated and social tensions intensified. This paper argues that addressing these tensions creatively requires host cities to focus on public interventions aimed at reducing social inequality. Host cities may learn much from each other about the types of interventions that promote the creation of integrated rather than fragmented communities. 'London 2012' is used to exemplify the need to:

- *re-conceptualise the main beneficiaries of the re-valorisation of the urban landscapes that arise from renewal – shifting the balance of the value accrued from those who already have it to those who need it;*
- *re-think the consumption-led economic model that has informed urban development in many cities in recent times;*
- *adopt new, innovative ways to secure the engagement of socially-disadvantaged communities to align 'city-building' with the humane values of 'Olympism'.*

“The Barcelona Games were in a class of their own. Their vision to put sport at the heart of an ambitious transformation that changed the fortunes of the city and its people was inspired. Our task now is to take the best of Barcelona and build upon it’.

Lord Coe, Chair of the London Organising Committee for the Olympic Games and Paralympic Games (LOCOG), Source: ‘Barcelona's Regeneration a Beacon for London and Britain’, November 17th, 2006, <http://www.azobuild.com/news.asp?newsID=27>

Lord Coe's comment, made on a visit to Barcelona in autumn 2006, highlights the aspirations that one host city may draw from the experience another, in this case, what 'London 2012' has learnt from Barcelona's hosting of the 1992 summer Olympics. The two cities have been re-designed using the catalyst of the Games; Barcelona by its ambitious zonal redevelopment, London by its movement east and both by the re-development of 'brownfield' sites, whose origins may be traced to an earlier industrial era. Barcelona's successful development since 1992 has provided a 'model' which cities like London and, more recently, Rio de Janeiro, have drawn upon to create their own visions of regeneration and urban development.

The modern Games are characterised by this dual social process – the hosting of the world's greatest sporting spectacle and an engagement with 'city-building'. In recent years, and in the wake of Barcelona's success, the latter has been wrapped by political, business and sporting elites in the language of 'legacy', the economic, cultural and social impacts that arise and continue to unfold long after the games are over. In turn, these impacts, particularly informed by the narrative of 'London 2012', have been associated with addressing the needs of socially deprived areas of the Olympic host city. In London, national and city wide authorities have insisted that the Games will catalyse the 'social transformation' of London's east side (DCMS 2008).

Conventional analyses of the games' impact on host cities typically seek to identify the costs/benefits arising from the event and measure longer term impacts in terms of infrastructure, employment, housing and the success or otherwise of the new urban spaces created. Put simply, the main goal of such studies is to estimate the gains arising from the combinations of public and private investment while acknowledging the displacement effects or opportunity costs incurred (LERI: 2007). This paper develops a different perspective on the Games and their legacies, providing, perhaps, some alternative insights into what host cities may learn from each other; such an interpretation may complement but also raise questions about the more conventional methods of impact analysis.

The focus of the paper is upon the city-building dimension of the modern Games. This is not to diminish the significance, and often magnificence, of the event itself but rather to see the two social processes as being in a creative tension. The tension is expressed in a variety of ways¹. Foremost, perhaps, is the temporal dimension. A host city has approximately seven years between a successful bid and hosting the event. Within that time frame, the venues must be completed 'on time and to budget'. There can be no delay to the opening ceremony. The short pre-games period contrasts with the long timeframe of the legacy – the decades that follow for the city or part(s) of the city that have been re-imagined and re-configured. The pre-event phase may be addressed in a specific economic and social setting whilst the legacy is often shaped by changed conditions, especially in the first decade of the twenty first century when economies, particularly western economies, have been severely affected by crisis and austerity.² The temporal dimension gives rise, therefore, to tensions. Such tensions are inherent in the process of city-building.

The current era has witnessed extensive urbanisation across the globe. Cities compete to find their respective roles in an increasingly complex and internationalised division of labour with the underlying trend, especially in western cities, being shifts from the industrial to the de- and the post-industrial. As authors, such as Harvey, remind us, the physical landscape of the city is created via capital investments in buildings, transport and infrastructure which are appropriate to their time, more-or-less; but in due course the infrastructure and built environment are no longer adequate to the changing needs of capital in all its forms and its swift movement around the globe. Entrepreneurial cities have to 'negotiate a knife-edge path between preserving the values

¹ Francesc Munoz discusses this tension in relation to the 'different city models' that have emerged in the course of the evolution of the Olympic Games as host cities in the late twentieth century have situated Olympic villages within 'the existing residential fabric of the city'. See Munoz F. (1996) 'Historic Evolution and Urban Planning Typology of Olympic Villages' in Moragas M, M. Llines and B. Kidd (Eds) 'Olympic Villages', Lausanne: UAB p 49.

² This author has situated Olympic cities in one of two economic categories – dynamic, developing economies (Beijing 2008, Rio de Janeiro 2016) and un-dynamic, economies (London 2012). See Poynter G. (2009) 'The Evolution of the Olympic and Paralympic Games 1948-2012' in Poynter G and I. MacRury (eds) (2009) London 2012 and the Re-making of London, Ashgate Publishers.

of past capital investments in the built environment and destroying these investments in order to open up fresh room for accumulation' (Harvey 2001: 247). A growing proportion of social wealth is, according to Harvey, spent on the means of transportation and communication, thus reducing rates of profit while at the same time being a precondition for their future increase. Whilst conventional location theories seek to identify the conditions that give rise to harmonious and virtuous cycles of regional economic growth and urban development, Harvey identifies a dynamic to urbanism that constantly expresses tension and contradiction. Hosting the mega event, particularly one on the scale of the Olympic and Paralympic Games, simultaneously accelerates investment and intensifies these tensions.

It is in this context that cities compete with and learn from each other. This paper focuses upon that learning process by examining some of these tensions. It divides into three sections. First, it discusses the potential for sharing insights and experiences that arise from the preparations for the event, preparations framed by the International Olympic Committee (IOC)/host city contracts, and broadly shaped by the bid book and its subsequent implementation. Second, using 'London 2012' as the contemporary case study, the paper examines the processes involved in 'city building', the challenges presented by the discourse of legacy and the implementation of the policies designed to achieve it. The conclusion suggests how the tensions inherent in city-building may be creatively addressed by future host cities.

2. From Bid book to Event³

The IOC owns the Games and provides the framework for cities to bid to host the summer and winter events. The Olympic franchise is passed to the host city for a limited timeframe. Host nation and city governments are required to underwrite the financing, national federations provide the participants and the host city forms an Olympic Games Organising Committee (OCOG) to organise the event. This committee typically consists of a range of 'stakeholders' drawn from central, regional, city-wide and local government, the national Olympic Association and the private sector. In brief, these stakeholders operate within a context in which, as Theodoraki has described, the Games as an event and brand progresses through a four yearly product cycle (Theodoraki 2007: 39).

There is much knowledge to be shared between host cities in managing the pre- and event stages. The configuration of the Olympic venues, the location of the Olympic Village and their design relationship to the geography of the host city significantly influences the eventual success or otherwise of the Games. Host cities must conform to IOC requirements for participants to share the experience of living within a community; facilities, ticketing, sponsorship, travel, security and many other arrangements must be provided to the highest standards. The IOC framework has tended to encourage over recent games a concentration of the venues - in an Olympic Park (Sydney 2000, Athens 2004, London 2012) – with the focus being upon the integration of event-related developments into an existing urban order via the revalorising of industrial wasteland or 'brownfield' sites and/or the adoption of sites in which the city is expanding. The choice of location involves many variables including the availability of land and the existing and planned

³ There are increasing numbers of books and reports on hosting sporting events, capturing good practice and examining pitfalls. See, for example, Jean-Loup Chappelet (Ed) (2005) 'From initial idea to success' – A Guide to Bidding for Sports Events for Politicians and Administrators' Interreg: Sentedalps Consortium, <http://www.sentedalps.org/imgUsr/10102005120718pm.pdf> and for a detailed, critical analysis of Olympic event organising see Theodoraki E. (2007) 'Olympic Event Organisation', Oxford: Elsevier

capacity of the local physical (telecommunications, transportation, environmental conditions) and social (visitor facilities, medical support, security) infrastructures. Most importantly, as Barcelona (1992) exemplified, the integration of the Olympic sites within the existing urban fabric requires the mega event's construction to complement a wider strategic approach to the development of the city, an approach that conceives the Olympics as but one component in a continuous process of urban innovation and renewal.⁴ Having established the urban context for the Games, the pre-event phase involves an array of engineering, construction and organisational tasks, the expertise for which may be richly shared between host cities (See Appendix 1). A variety of complex issues arise for host cities in the pre-event phase. Here three are briefly discussed – evaluating costs, governance and legacy planning.

There is a significant gap between the bid book estimates prepared by competing cities and the actual direct and in-direct costs of hosting the event and securing its legacies (in the case of London 2012 the bid book indicated a cost of £2.4 billion, the real budget was finally set at £9.3 billion). The bid book is designed to win the competition to host the games and seeks to harness public enthusiasm and support in the host city and nation. The competition engages different professional teams and skills to those required to conduct the detailed assessment of the costs associated with development and construction. The competition, in seeking to mobilise domestic public support as well as secure IOC approval, tends to emphasise vision and ambition rather what might be called financial realism, reinforcing the tendency for the winning city to experience significant cost over-runs in translating the vision into the construction of the mega-project (Flyvbjerg B, N. Bruzelius and W. Rothengatter, 2003). This problem has been widely debated elsewhere⁵. Despite the IOC's efforts, initiated in 2003, to establish a specification template for the

⁴ This process has been referred to as one of securing 'a legacy momentum' in the London 2012 context. See London East Research Institute (LERI) (2007) 'London 2012, A Lasting Legacy?', London: London Assembly.

⁵ See, for example, Preuss, H. (2004) *The Economics of Staging the Olympics. A Comparison of the Games 1972-2008*. Cheltenham, Edward Elgar ; Cashman, R. (2006) *The Bitter-Sweet Awakening. The Legacy of the Sydney 2000 Olympic Games*. Sydney, Walla Walla Press and LERI (2007) London 2012, 'A Lasting Legacy', London: London Assembly

Games, introduce a more rigorous approach to scrutinising host city preparations and contain gigantism,⁶ the upward adjustments of direct and indirect costs have continued to be a feature of Beijing (2008), Vancouver (2010) and London (2012). It would seem that a combination of actions should be required of future host cities to reduce the gap. These include minimising opportunity costs by linking the indirect costs of the games to infrastructure projects to which the city/host nation is already committed, improving cost evaluation methodologies⁷ and realistically establishing the proportions of public and private investment required to host the games. Bidding cities, including London 2012, have tended to over-estimate, in particular, the expected contribution of the private sector to meet direct and indirect costs.

Second, organisational tensions are inherent to a process in which an OCOG takes prime responsibility for the event (with, typically, a delivery authority carrying out construction on its behalf) while after games development is passed, in the cases of Sydney and London, to a legacy company, a quasi-state agency. The transitions from event to post-event phases, therefore, include transitions in organisational responsibilities and accountabilities, all of which have to be mediated by national, city-wide and local public authorities. Here, effective governance involves managing transitions in responsibilities between 'stakeholders' as the pre-event, event and post-event phases are encountered and ensuring that, throughout these phases, those most directly affected by having the games in their own communities are directly consulted and involved in significant decision-making processes.⁸

⁶ See for example the IOC Olympic Games Study Commission Report (Chair Richard Pound), July 2003.

⁷ See, for example, Flyvbjerg's 'reference class forecasting approach' to estimating the financial costs of megaprojects. By benchmarking costs of a proposed project against an extensive database of other similar projects, the author argues that it is possible to minimise financial risk and provide open and transparent information on estimated mega project costs. See Flyvbjerg et al (2003) 'Megaprojects and Risk' Cambridge:CUP

⁸ See megaeventcitieswordpress.com for examples of debates about Rio de Janeiro's community engagement in planning and design in preparation for the 2014 FIFA World Cup.

Finally, pre-games design and development of the Olympic site(s) must also involve the conceptualisation of post-games conversion and utility. As the London 2012 case will reveal, tensions between stakeholders as to the balance to be struck between permanent and temporary facilities, inadequate attention to the costs of conversion (the period of hiatus between the closing ceremony and eventual public access and use of the main Olympic sites) and lack of clarity about after games usage of permanent facilities, significantly increases the likelihood of the failure of public policy to achieve the legacy goals that host cities and nations set themselves.

3. Lessons from London 2012

..'legacy has assumed a complex range of meanings in the discourse of the sports mega event and the evaluation of its implications for urban regeneration and economic development. It is not to be confused with the 'narrower' evaluation of socio-economic impact whose focus is primarily upon the costs and benefits of the sports event itself. Its focus combines the direct Games-related evaluation of income/costs with a broader evaluation of the additional or indirect contribution to infrastructural, environmental, cultural, economic and social development. In this sense 'hard' and 'soft', 'tangible' and 'intangible' legacies accrue over time. Indeed, the time span for evaluation should reflect the complexity of this process'..

Source: MacRury I and G. Poynter (2009) 'London's Olympic Legacy, A Thinkpiece Report prepared for OECD and the Department of Communities and Local Government, London: OECD/CLG

In accordance with this 'broad' definition, legacy is intimately connected to the development of the wider urban economy. In the case of London 2012, it refers to the dynamic eastward

expansion and renewal of the city; a renewal focused upon what was designated originally as the five Olympic boroughs – Hackney, Tower Hamlets, Newham (the site of the main Olympic Park), Waltham Forest and Greenwich⁹. A brief review of the socio-economic profile of the Olympic host boroughs (Figure 1) affirms that the sub-region retains many of the broad characteristics of social deprivation that was evident in the nineteenth and twentieth centuries, when the area was the focus for the city's manufacturing industries and docklands. East London has encompassed significant change in industrial structure over recent years. Over the next two decades, the region's transformation will be closely associated with the achievements of London 2012, 'the legacy games'. Successive UK governments, since 2005, have linked the long term legacy of the Games to directly addressing the patterns of social deprivation that have persisted for decades and which have been exacerbated by de-industrialisation in the 1970s and 1980s and the creation of Canary Wharf (the international financial and business services district developed in the Docklands area from the 1980s) whose development increased disparities between rich and poor residents within the region (Hamnett 2003; Poynter and Macrury 2009).

⁹ The five boroughs were joined by a sixth, Barking and Dagenham, in early 2011.

Figure 1: East London in 2011

- a rising population and rising population density;
- a growth in relative and absolute numbers of young people;
- an expanding black and minority ethnic community;
- higher levels of 'worklessness' within its resident communities;
- relatively low levels of skills and qualifications compared to the city as a whole;
- high levels of social deprivation across the sub-region;
- specific areas where social inequalities have increased significantly over recent years;
- high levels of overcrowding and the need for improved diversity in housing provision;
- relatively high levels of crime and perceptions of crime within the resident population

To deflect early media and public criticism, especially those associated with the escalating costs of the games, 'London 2012' has broadened and institutionalised the concept of legacy; using its magical imputation of 'good' (MacAloon 2008; MacRury 2009), but the appropriation of this 'good' for the renewal of East London may not be achieved as the tensions arising in the early phases of legacy development may reveal. The origins of these tensions lie in the potential miss-match between the social policy goals and promises of central, city-wide and local governments and the economic model that governments have trusted to deliver them. Undoubtedly, the severe economic problems facing the UK and many other western governments have heightened the difficulties in reconciling short term commercial and financial imperatives with the major investments required to meet the social objectives of the urban legacy of London 2012. These tensions are briefly discussed below in relation to three examples – the Olympic Village, legacy

plans for the Olympic Park and, finally, by reference to the development of those areas on the borders of the Olympic Park. The examples focus mainly upon the tangible housing legacy to be catalysed by 'London 2012'. Housing, it is recognised is but one example of a wider set of legacy promises and policies pursued by the London 2012 stakeholders. It is used here to illustrate an important wider discussion about how an Olympic city may achieve either *integrated* or *fragmented* patterns of urban development as a result of hosting the Games.¹⁰

The Olympic Village will provide an important element of the housing legacy arising from the games. Initial plans were for the creation of 4000 homes but this was revised downwards to 2800 following concerns about the density of the scheme. It was initially envisaged by the Olympic Delivery Authority (ODA) that there would be private sector interest in developing this project but, this did not materialise and in 2009, a funding package was agreed through a mix of grants and loans, and the creation of Triathlon Homes (a consortium of two housing associations and a design company) to purchase around half (1379) of the homes. The proportion of the Olympic Village housing provided through Triathlon will be designated 'affordable' housing, with around half of this for social rent and the other half for sale through a range of 'affordable' housing options.

In 2011, Qatari Holdings and Delancey¹¹ signed a £557 million contract with the Olympic Delivery Authority (ODA) to purchase and manage the Village. They will own 1439 housing units. Current

¹⁰ The achievements of past host cities may be considered in relation to this dichotomy. This author suggests that Atlanta (1996) achieved an economic growth trajectory but did not achieve the integrative development it sought to overcome acute problems arising from inner city decay, white flight and extensive suburbanisation whilst there is some evidence that after an hiatus, Sydney's Olympic Park achieved the integration of the Homebush area within Sydney. Arguably, Athens achieved mixed results, an under-utilised Olympic Park but improvements in infrastructure that served to significantly modernise the Athens transport infrastructure, improving integration through enhanced mobility. See: Poynter G and I. Macrury (2009) Olympic Cities; Parts 1 and 2.

¹¹ The purchase of part of the Olympic Village is but one major investment undertaken by Qatar Holdings in London over the recent period. It has also purchased Royal Dutch Shell Plc's Shell Centre site near Waterloo rail station for £300 million, Harrod's department store, the soon to be vacated U.S. embassy site in Grosvenor Square, the Chelsea Barracks redevelopment project in one of the city's most expensive neighbourhoods and has a stake in the Shard skyscraper, Europe's tallest building when it's completed in

plans are to provide these properties for rent and they will form part of the first UK private residential investment fund. The international development consortium has also purchased six adjacent development plots with the capacity to provide a further 2000 homes. (ODA 2011) Whilst this new contractual arrangement enables the government to recoup a significant proportion of its expenditure on creating the village (£709 million) this has still resulted in a considerable loss to the public purse and it is not clear how this agreement will fit with plans for developing a socially inclusive neighbourhood. The pressure to create a neighbourhood attractive to those willing to pay substantial rents to the consortium may begin to shape the nature of the affordable housing. There may be interventions, for example, to ensure that more 'desirable' groups such as 'key workers', have access to the housing rather than the low paid or long term unemployed. Another concern relates to the future of the affordable housing which may revert to being market housing given recent changes in central government policies that limit housing benefit levels for individuals and families living in private or social (public) housing¹².

The Olympic Park, to be re-named the Queen Elizabeth Olympic Park after the games, is the responsibility of the Olympic Park Legacy Company (OPLC). The OPLC, a quasi-state enterprise, will become a Mayoral Development Corporation (MDC) from April 1st 2012, thus moving the responsibility for its activities from central to city-wide government. In October 2010, the OPLC published a revised and impressive master-plan for the area. It envisaged that 8000 homes (down from 10000, with about thirty percent of these being affordable homes) will be built on the Olympic Park, organised within five neighbourhoods, with a greater emphasis on family housing

2012. The company has, with other international investors, taken advantage of the low exchange value of the pound and the continued buoyancy of the London 'high end' property market.

¹² One report on the effects of the government's housing benefit changes on London suggests that '82,000 tenants across London will be at risk of losing their homes as a result of the changes'. See London Councils (2010) The Impact of Housing Benefit Changes in London, September 2010 available at www.londoncouncils.gov.uk/London%20Councils/ImpactofLHACChangesALandlordSurveyFinalReportSept20.pdf

with gardens and improved design. This new housing will be located in parklands close to the River Lea and within easy access of new schools and health facilities. The emphasis on quality is welcome, good quality design will be an intrinsic factor in encouraging people to live into this area, and the family housing may provide improved housing opportunities for the many families in housing need in Stratford and beyond. The OPLC is also engaging with a new innovative agenda to ensure that the housing legacy is enduring, assigning a proportion of the housing developments to community land trusts that give ownership of the land to communities in perpetuity.

The OPLC is, in late autumn 2011, also planning the legacy uses of the permanent facilities that will remain in the Park after the Games and developing a zonal approach to the leasing and sale of different components of the Park area (See Appendix 2a and 2b). Plans for the sale of the Olympic Stadium to a consortium consisting of West Ham United (a professional soccer club) and the local authority, Newham, were abandoned following legal challenges and, as with other venues, it seems likely that public ownership (a combination of the OPLC and Lea Valley Regional Park Authority) will continue in the initial legacy phase for some facilities and leasing agreements reached with external contractors drawn from the public, charitable and private sectors for others. The adverse wider economic climate has clearly impacted upon the Park legacy plans; the strengths arising from the development of a unitary master plan may be dissipated. The OPLC has a difficult task. It has to sustain the integrity of the design of the whole Park whilst seeking to sell/lease parts of it to fund the Park's conversion and further development (the OPLC budget is uncertain beyond 2013). Lack of certainty over public investment for the conversion and continued development of the Park may tip the balance of development away from obtaining a socially diverse and integrated community and toward a fragmented, commercially or financially-oriented one (See Appendix 4).

4. The Olympic Park Borders

The gateway to the Olympic Park is Westfield Stratford City a £1.45 billion private investment. It is a shopping mall with 300 (many designer) shops, 70 restaurants, a multiplex cinema and London's largest casino. It was opened in September 2011. Conceived at the peak of the city's phase of consumption-oriented, service-led development, the Mall attracted thousands of shoppers on its opening weekend and has created approximately 8,500 jobs (2,000 of which have employed local people). Westfield Stratford is the second major shopping mall opened in London by Westfield, an Australian retail development company and one of London 2012's Olympic sponsors.

The shopping mall development has been accompanied by town centre developments in Stratford, along its main high street, adjacent to the Olympic Park. Here a new city quarter has emerged with 3,000 homes developed and a further 5,000 planned, including the '*Spirit of Stratford*', a 43 storey residential building, one of the tallest in the UK. The story of the '*Spirit of Stratford*' is instructive. A 'local speculator' acquired the site in 2007 for £27 million and then sold it to Genesis Housing Group for £47 million, 'a vast overspend for a housing association' (Wainwright 2011). In turn, the housing group invited an architectural practice to develop the largest scale site it could within the limits of planning legislation. The 43-storey tower was designed and, following an injection of £40 million public investment from central government's Homes and Community Agency to stave off the bankruptcy of the housing association, the building was completed. Along with the majority of the other development sites along Stratford high street, the tower provides accommodation at a high density and joins a range of developments described by a design journal as a collection of:

'Singularly mean-minded, inward looking buildings, gated enclaves of mostly one- and two-bedroomed flats airlifted into one of the poorest parts of London, with no overall vision for the consequences' (Wainwright 2011)

As these developments have occurred, long term residents of established but run down estates, such as Carpenter's Park, on the Olympic Park's southern fringe, are being moved to another location in the borough as the estate is re-developed.

The developers of the borders of the Olympic Park in Stratford are engaged, critics argue, in the construction of islands of gentrification¹³, designed largely for 'buy-to-let' purposes aimed at young professionals and overseas investors rather than local, poorer communities. Whilst, the shopping mall provides much needed jobs in the area (employing about 200 long term jobless people), it is reproducing a familiar pattern of employment in the UK's capital. Employment in London divides between high income and high skilled jobs and low income and flexible forms of employment. The retail sector reinforces this trend, providing, in particular, the latter forms of labour. The vast shopping mall is providing much needed jobs in the area but is also likely to reproduce existing patterns of work inequality, reinforcing the polarised nature of the city's labour market.

In summary, the social tensions arising from the extensive re-development of the Olympic Park and its environs are clearly emerging. Within the Park, the OPLC seeks to achieve a balance between social and commercial development, with a concern to secure some real benefits for local communities. It is working within tightly defined financial constraints and the outcome depends upon a capacity to leverage the public and private investment required to achieve an integrated, community development while moderating the adverse affects of current government

¹³ Gentrification, was used by sociologist Ruth Glass (1964) to describe developments taking place in London in the late 1950s and early 1960s which involved 'the rehabilitation of old housing stock, tenurial transformation from renting to owning, property price increases and the displacement of working class residents by the incoming middle classes' (Lees, Slater and Wylie 2008: 5). The concept has evolved as urban sociologists have explored the wider effects and responses to de-industrialisation in western cities in the decades after Glass coined the term. Smith (1986), for example, expanded the concept beyond housing to incorporate the redevelopment of post-industrial western cities as centres for leisure, hotel accommodation, conferences, events and retail and restaurant areas; in short, incorporating many of the attributes of the late twentieth century service-oriented and consumption-driven city (Lees, Slater and Wylie 2008: 5).

social policy, especially in relation to housing. On the Park's borders a less nuanced imagination of urban development is emerging, an urban landscape that is likely to achieve a form of regeneration that reinforces rather than reduces the long established patterns of social inequality in London's east end. A combination of continued recessionary trends in the wider economy, the limited capacity of policy makers to re-design the Olympic urban development programme to move away from the consumption-led/speculative property-development model and the continued implementation of central government social policies over the next two years are generating pressures that may propel London's Olympic legacy toward a form of city building that emulates what Graham and Marvin have described as 'splintered urbanism' (Graham and Marvin 2001).

5. Conclusion

Several cities have announced their intentions to bid to host future summer and winter Olympic events; there seems little likelihood that the current global economic conditions will diminish the gigantism of the event or the attraction for cities of hosting the Olympic and Paralympic Games. Cities, across the world, are also likely to face the severe challenges presented by a continuing process of urbanisation that will inevitably place considerable pressures upon their infrastructure and urban fabric. The social tensions inherent in city-building will intensify. Cities will seek to sustain that which is unique to their cultures and histories whilst also attempting to manage the homogenising influences of global capital. It is in this context that hosts of future mega events must learn from each other.

In 2008, the IOC, following a proposal from Greece presented in 2002, established a forum that meets annually to share knowledge between Olympic cities – past hosts and future contenders. The *World Union of Olympic Cities* has met four times, twice in Lausanne (2008, 2009), once in

Beijing (2010) and once in Rio de Janeiro (2011). Its proceedings are extensively recorded¹⁴ and the lessons arising from each Olympic event city are published¹⁵. Each conference has focused on a variety of themes such as environmentalism, young people, volunteering, transport and education – a range of hard and soft legacies. The proceedings provide useful insights but typically emphasise the positive achievements of host cities rather than addressing directly the tensions inherent in the host city role. As a result, the proceedings contain an '*air of unreality*' that is only occasionally punctuated by an invited speaker, an example being Professor Hiller, who when speaking on 'developing urban strategy', argued that there was a 'missing link' in the preparation and planning of Olympics games in recent years. He argued that host cities need to achieve:

'..a greater focus on soft legacies and not just hard legacies, therefore the people and not just the buildings and infrastructure'

Hiller H. 'Creating a Long Term Urban Strategy' World Summit of Olympic Cities, Lausanne Summit 2010, Beijing, October 15-17; post-event report p. 28.

This paper has sought to draw attention to this *missing link*. It has argued that a focus on 'people' requires recognition of the tensions inherent in linking city-building to the mega event and that these tensions cannot be addressed effectively without critically assessing and re-thinking the economic 'model' that has informed the planning for, for example, London 2012, particularly those developments taking place on the borders of the Olympic Park. The services led, consumption driven economic approach to legacy tends to accentuate rather than redress the social inequalities now prevalent in many world cities. In brief, it is possible to achieve a legacy of urban renewal that exacerbates rather than reduces the complex patterns of social inequality in

¹⁴ See <http://www.olympiccities.org./News/>

¹⁵ Some of the evidence is derived from the Olympic Games Impact Study, inaugurated in Beijing 2008.

the host city; achieving, in other words, the opposite outcomes to those to which host city organisers, such as London2012, are committed.

Re-conceptualising city building to reduce social inequality is a difficult and complex task. First, it requires recognition that the public investment committed by host cities and nations realises over time a re-valorisation of land and property values arising from improvements to a city's infrastructure, a (significant) proportion of this enhanced value must be directed to community gain, particularly for socially deprived communities. The specific ways in which this may be done varies according to the socio-legal frameworks prevailing within host cities but London's commitment to transferring one of the zonal developments within the Olympic Park to a community land trust with the intention of enabling community ownership of the land for housing development with security of tenure for low income residents is a small but positive example.

Second, services-led economic plans often designed to enhance finance and business sectors, increase residential land and property values, boost tourism and provide other visitor attractions, such as shopping malls, have tended to be a feature of urban regeneration programmes adopted by western cities over recent decades¹⁶. These apparent 'drivers' of economic development reinforce imbalances in local and national economies and increase social inequalities (reinforcing polarities between high and low skilled occupations). Cities seeking in the future to host mega events need to deploy these events to catalyse new directions in industrial development; using public and private investment in the games to demonstrate capacities to develop new industries, new professional and intermediate (craft) skills and occupations and new (productive, environmental and engineering) technologies. In this way private sector investment is not only directed toward the enhancement of brand but is also pushed toward more socially

¹⁶ The origins of this model lie in the USA. See Poynter G (2006) 'From Beijing to Bow Bells' (London:LERI) reprinted as 'Regeneracao Urbana e Legado Olimpico de Londres 2012' in Da Costa L, D. Correa, E.Rizzuti, R. Villano and A. Miragaya, (2008) Legados De Megaeventos Esportivos, Brasilia: Ministerio do Esporte pp 121-152.

transformative ends, as the investment by Siemens and the aspirations in London for the development of a 'tech city' adjacent to and including the Olympic media centre may testify.¹⁷

Third, longitudinal studies of a city's experience of hosting the Games reveal that the influence exerted by specific stakeholders varies over the whole period of the project from the pre-event to the event and post event phases. The governance framework is, therefore, not fixed. It is a process that is susceptible to external social, political and cultural pressures that arise over the whole period of the urban regeneration project. For pre-games design and development of the Olympic site(s) to involve the successful conceptualisation of post-games conversion and utility, governance structures must ensure effective transitions in organisational responsibilities from pre-event, to event and post-event phases. Because national and city-governments are required to underwrite the financing of the games, there is a tendency for a state-centred dominance of governance. This trend can only be mitigated by creating spaces for local participation from communities and local democratic representatives throughout the life time of the governance process. A Brazilian experiment with community engagement in urban design, in preparation for the World Cup in 2014, provides an interesting example of an innovative approach to community consultation and engagement whilst a Brazilian architect, Professor Bruno Padovano, has also warned of the consequences for his country if such approaches are not adopted.¹⁸

¹⁷ The tech city proposal incorporates the Olympic media centre and is designed to build upon the recent development of a 'high tech' enterprise sector located in the cheaper commercial sites on the city's eastern fringe. See de Miranda A. (2012) 'The Real Economy and the Regeneration of East London' in Poynter G, A. Calcutt and I. MacRury London after Recession, Ashgate Publishers (forthcoming, spring 2012). Siemens is locating a new facility in East London designed to showcase its research and production activities. The precise role of the facility is not yet clear but there is an opportunity for the site to engage in the kinds of innovative research and development for which the electronics sector in East London was once renowned (See de Miranda, *ibid*).

¹⁸ See See Kunze A., J. Halatsch, C.Vanegas, M.Jacobi, B. Turkienicz and G. Schmidtt 'A Conceptual Participatory Design Framework for Urban Planning <http://www.scribd.com/doc/65779099/A-Conceptual-Participatory-Design-Framework-for-Urban-Planning> and an article by Professor Bruno Padovano that calls for greater community engagement in the planning process for Rio 2016. As his conclusion notes 'as the construction process of new urban infrastructure already began in Rio, Brazilian architect and urban planner

Hosting a mega event may enable a city to re-define its 'centre' and set out its future spatial trajectory – in the case of London, its movement eastwards. Arguably, Barcelona's experience (1992) initiated a new wave of research and debate about cities, their emergence, especially in the west, from a period of (industrial) decline and their movement toward new urban forms. This 'learning process' is challenging for policy-makers, communities and researchers. It gives rise to a rich potential for socially useful, comparative studies on themes such as planning, governance, environment and social policy (health, employment, housing, disability); research that recognises the specific cultural and historical setting of the city while addressing wider issues of social inequality, that have global relevance and significance. Research of this kind, this paper argues, must commence from the recognition that hosting the mega event simultaneously accelerates urban change and sharpens social tensions.

These tensions may only be creatively resolved when allied to public interventions designed to reduce the social inequalities that have arisen in the world's metropolitan, and increasingly cosmopolitan, centres. In this way *integrated* rather *fragmented* community development may be achieved. The re-conceptualisation of the main beneficiaries of the re-valorisation of the urban landscapes that arise from renewal – shifting the value accrued by new developments from those who already have it to those who need it; the re-thinking of the economic model that has informed urban regeneration and development in cities in recent times and the adoption of new, innovative ways to secure the engagement of socially-disadvantaged communities are essential to aligning 'city-building' to the humane values of 'Olympism'.

Raquel Rolnik, who is currently the United Nations Special Rapporteur on the Right to Adequate Housing, complained publicly that local communities in the city were being displaced by the works, without any sort of compensation or provision of alternative housing solutions for the families involved, causing great harm to this low-income population. This means that, if a democratic and participatory process is not adopted at all levels of the promotion and organization of sport mega events, such contradictions will inevitably drain the positive legacy out of the Olympic Movement, contrary to its institutional objectives'.

See Padavano B (2011) 'The Organising of Sport Mega events in Brazil, opening the black box'
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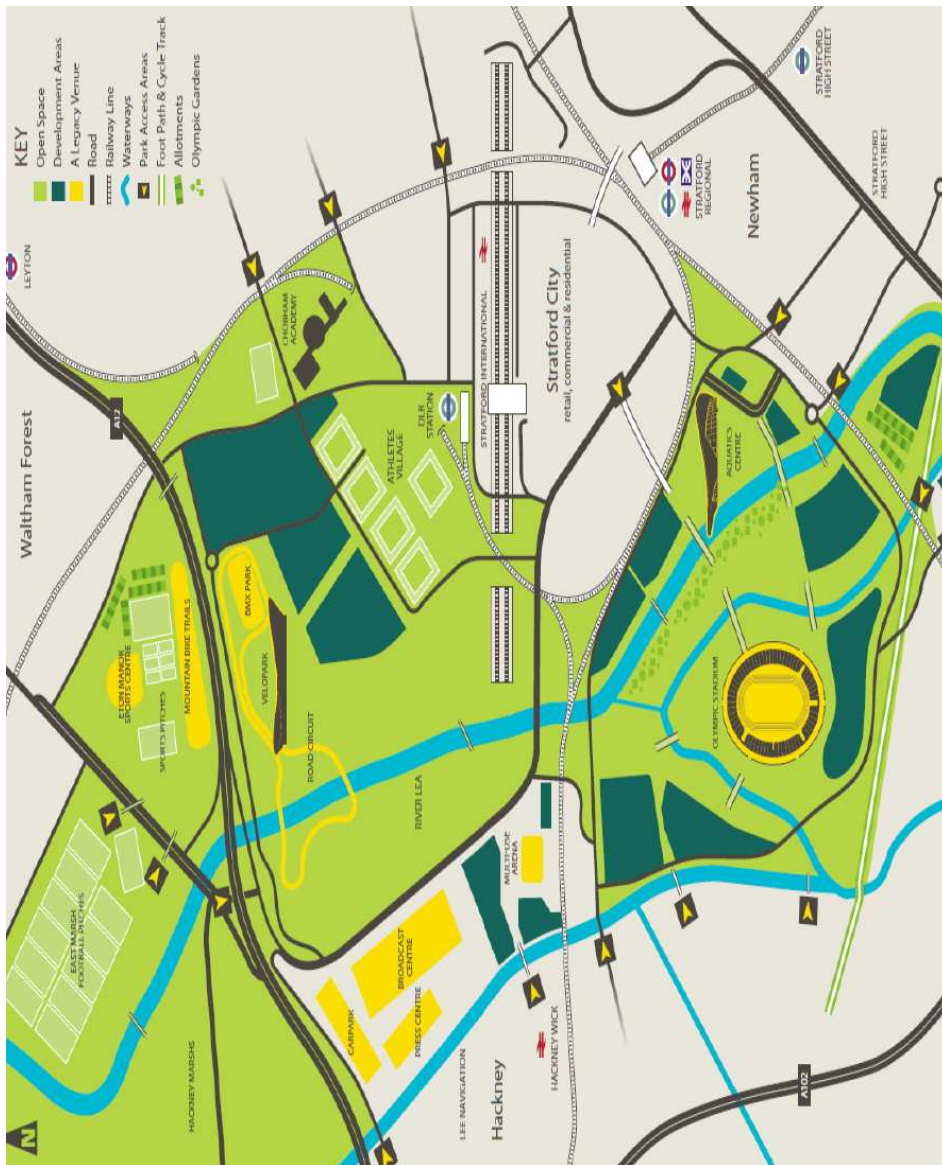
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Appendix 1: Sharing Knowledge: a schematic outline

(adapted from: Jean-Loup Chappelet (Ed) (2005) 'From initial idea to success' – A Guide to Bidding for Sports Events for Politicians and Administrators' Interreg: Sentedalps Consortium, <http://www.sentedalps.org/imgUsrc/10102005120718pm.pdf>.)

The Bid Stage	The Event
The Vision <ul style="list-style-type: none"> ➤ The Broader Urban Plan ➤ Public Support 	The Urban Plan <ul style="list-style-type: none"> ➤ Facilities design/location ➤ Transport ➤ Support teams
Government NOC/City support <ul style="list-style-type: none"> ➤ Bid committee structure ➤ Legal Framework 	Governance <ul style="list-style-type: none"> ➤ Before (OCOG/Delivery Authority) ➤ During (OCOG) ➤ After (legacy authority)
Bid budget <ul style="list-style-type: none"> ➤ Games budget ➤ Estimated Income/costs 	Direct Costs <ul style="list-style-type: none"> ➤ Games related
The Olympic Sites: <ul style="list-style-type: none"> ➤ Temporary/permanent venues ➤ Olympic Village ➤ Media Centre ➤ Infrastructure support 	Indirect Costs <ul style="list-style-type: none"> ➤ Infrastructure
Accommodation: <ul style="list-style-type: none"> ➤ Participants ➤ Support teams ➤ Olympic family ➤ Visitors 	The Event <ul style="list-style-type: none"> ➤ Ticket sales ➤ Volunteering ➤ Cultural Olympiad ➤ Opening ceremony
Transport <ul style="list-style-type: none"> ➤ Air, rail, road ➤ Into/from city 	Sponsorship/Marketing
General Conditions: <ul style="list-style-type: none"> ➤ environment 	Security

Appendix 2a After the Games (source OPLC)



Appendix 2b : Queen Elizabeth 11 Park (2030)



Appendix 3

Venue	Legacy Use	Construction Cost	Ownership
Olympic Stadium	Football club plus major international championships, other sporting fixtures, concerts, Stadium tours, a visitor attraction and arts events	£486m	Public. Leased to main tenant
Aquatics centre	The centre will be open to the local community and schools. At the national and international level, seating accommodation and a range of facilities will enable the venues to cater for major events including national and European events. Triathlon England and British Swimming are planning on using the venue regularly, and a range of events are being considered.	£269m	Public. Leased to legacy operators
Multiuse arena	The Multi-Use Arena will serve as a venue for a variety of indoor sports including basketball, handball, badminton, netball and volleyball. Flexible	£86m	Public. Lease to operators

	design ensures use for high performance training to community use. The Arena will be one of the first legacy venues open after the Games.		
Media Centre	The Press and Broadcast Centres will offer 91,000 sq m of business space. The buildings have been designed to ensure that they have the flexibility to be adapted for a wide range of uses, to maximise their potential after the Games.	£301m	Public. Expressions of interest for future use

VeloPark	After the Games, remains as permanent 6,000 seat velodrome It will be used by high performance athletes who will train alongside the local and regional community.	£93m	The VeloPark will be owned and managed by Lee Valley Regional Park Authority.
3 Mills Studios	3 Mills is London's largest film and television studio, set on a historic 20 acre island site, situated within the London borough of Newham near to the Olympic Park.	£33m* compulsory purchase (one of £750 million undertaken by LDA) (*estimate)	Owned by OPLC. The Legacy Company is committed to supporting the creative and media industries in East London.
Eton Manor Sports Complex	Eton Manor Sports Complex will become two separate venues after the Games,	£109m	The complexes will be owned and managed by Lee Valley Regional Park Authority.
The Great British Garden	Entry to park area during games	£28m	Public - unspecified
Athletes Village	Owned by ODA	£709m	Mixed: Public (RSL) and Private International Investment Companies: Triathlon Homes(1379 affordable homes Delancey/Qatari 1,439 homes and other plots of land (purchase£557 million

Appendix 4:

Scenarios: Splintering Urbanism and the London Olympic Park

Government's Five Promises	Scenario 1: "Transformation-momentum"	Scenario 2: 'Steady-state regeneration'	Scenario 3: 'Transformation-inertia'
To make the Olympic Park a blueprint for sustainable living	The creation of the Olympic park as an open and accessible green space devoted to (partly) locally defined conceptions of the public good and handed in part or in totality back to the stewardship of local and London-wide government— without the pressure to maximise return on investment as soon as possible. The creation of centres of excellence developing and disseminating environmental technologies and education via leisure facilities and new local enterprises centred around the park	The creation of an Olympic park that seeks to reconcile 'public good' and the shorter term recouping of public investment. This produces a 'hybrid' development, creating areas of public utility alongside restricted access driven by commercial development needs for exclusivity. The distinctive parts may work but they do generate an effective 'whole'.	The fragmentation of the park in a cost-driven attempt maximally to recoup the Olympic investment in the short-term. The risk is that premium housing and exclusionary leisure facilities will dis-embedded the park and its usage from the everyday flows and spaces over local life in East London—inducing and repeating the landscape of splintered urbanism (Graham & Marvin, 2001) evident around other large-scale East London regeneration projects.
To make the UK a world-class sporting nation in terms of elite	Continued public investment in accessible sport and leisure activities (such	Combined public investment with commercial management of the permanent sport	Over investment in the Olympic spectacle and signifying elite

success, mass participation and school sport	as the 'free swim initiatives'). Investments in school sports, sports scholarships for gifted athletes and local initiatives tailored to the needs of specific and complex populations	and leisure facilities; achieves combinations of community access, elite sports provision but 'new' programmes based on local initiatives restricted	success at the expense of ongoing practical assistance to grass roots' initiatives in school sport, active leisure and sports education. A delegation of training and support to sponsors and private training providers
To transform the heart of East London	A straightforward commitment to developments of affordable housing suited to local communities, investment in local training and job creation initiatives. A vision of regeneration genuinely sensitive to the present inhabitants of the Olympic locale—and their offspring	A mix of affordable and luxury housing development; affordable housing focused upon meeting local need (family housing units) but within a Park that is 'disaggregated' into its public and private sector components; job creation and training limited to specific sectors such as retail and possibly small business sector	A primarily market lead set of commercially driven developments privileging expensive housing and lucrative retail/leisure space, largely piggy backing on the economic stimulus of Stratford and Cross Rail. Profitable but exclusionary utilisation of space and new opportunities the guiding principle. Regenerating places not people
To inspire a new generation of young people to take part in local	Imaginative education and skills training programmes complementing and	Volunteering post-event taken Mainly into the public/voluntary sectors via limited schemes; some	A highly regimented volunteering system entirely focused on specific Olympic

<p>volunteering, cultural and physical activity</p>	<p>continuing the stimuli provided by the official games volunteering programmes. Support for continued and extended volunteering initiatives post-2012 and the export of volunteering expertise to other regions/ events. Development of Egan-review style training/education sustainable community development.</p> <p>Early start volunteering tied to sustainable community themes</p>	<p>post-games support/enthusiasm for initiatives aimed at enhancing civic engagement and undertaken by entrepreneurs attracted to the Olympic Park site</p>	<p>issues without sufficient pre- and post-games support to ensure that the volunteering ethos does not dissipate</p>
<p>To demonstrate that the UK is a creative, inclusive and welcoming place in which to live, to visit and for business (Department for Culture Media and Sport (DCMS), 2007</p>	<p>Successful indications of emerging legacy and in the act of sharing and passing on (via emerging tourism and network connectivity/sharing know-how and future events) the innovative, exciting and distinctive vision of a re-figured/re-figuring (East) London on a global stage</p>	<p>Development of a mixed use legacy that seeks to mobilize past/existing assumptions about business development in London (financial/business/public services) rather than providing an 'example' of a 'new' vision aimed at greater economic and entrepreneurial diversity</p>	<p>Investing in a traditional brand and place marketing campaign promising (via commercial inducements to business) specific and improved location factors and primarily targeting large, established business in areas such as financial services. The Olympics inducing only an extension of Canary Wharf-style commercial redevelopment</p>

Mega Events and the Urban Economy: What can Olympic Cities learn from each other?

Cities have sought to host sports mega events to catalyse urban development and renewal. In several cities urban transformation was accelerated and social tensions intensified. This paper argues that addressing these tensions creatively requires host cities to focus on public interventions aimed at reducing social inequality. Host cities may learn much from each other about the types of interventions that promote the creation of integrated rather than fragmented communities. London 2012' is used to exemplify the need to: re-conceptualise the main beneficiaries of the re-valorisation of the urban landscapes that arise from renewal; shifting the balance of the value accrued from those who already have it to those who need it; re-think the consumption-led economic model that has informed urban development in many cities in recent times; adopt new, innovative ways to secure the engagement of socially-disadvantaged communities to align 'city-building' with the humane values of 'Olympism'.

Gavin Poynter
University of East London



Centre d'Estudis Olímpics
Universitat Autònoma de Barcelona

Edifici N. 1a. planta
08193 Bellaterra (Barcelona)
Spain

Tel: +34 93 581 1992
Fax +34 93 581 2139

<http://ceo.uab.cat>
ceioe@uab.cat