

# 19

## Long-Term Legacy and Impacts

### In this chapter you will cover:

- Impacts of events
- Long-term legacy of events
- Economic impacts of events
- Urban regeneration of cities through mega events
- The economic legacy of the rio olympic games
- Environmental and social impacts of events

The aim of this chapter is to critically review the development and implementation of the long-term legacy and impacts of events on host destinations. It will present compelling evidence on the economic and social impact linked to the long-term legacy and impacts within the host location. The chapter will show that bidding for and hosting a mega event is not only predicated on a nation's ability to meet the international criteria, but that strategic alliances with international organisations are required, and the adoption of western political methods of governance can play a major role in achieving the end game. The chapter will discuss the historical development of the long-term legacy and impacts of events on a global platform with special attention to western democratic nations. A number of case studies will be introduced to illustrate the broader issues from positive and negative perspectives.

### Impacts of events

In the events industry impact studies are undertaken for a variety of purposes. Frequently they consider elements of cost-benefit analysis concerning the event, in comparison to income generation and visitor expenditure. Events give greater economic life to the host city and raise its profile by developing employment through increased tourism potential, additional trade and business development.

Over the last few decades event organisers (national governments, local regional governments, small towns and local communities started to build their brands to attract visitors by staging and managing events as part of local development worldwide. All sizes of planned events have been organised (e.g. local community festivals, the Olympic Games, the FIFA World Cup, the ICC World Cup, international conferences, world expos, music festivals and cycling tours).

It could be argued that a catalytic effect ensues whereby following an increase in investment, additional monies are made available for local infrastructure and long-term promotional benefits are created. Further to this, other tangible benefits are improved tax revenues and increased property prices, with subsequent connections to the community. However, event managers often put great emphasis on the financial impacts of events, and invariably become myopic concerning other possible impacts occurring during the event. It is important for the event manager to realise this potential situation and to identify and manage both positive and negative impacts resulting from the event.

Events provide the host city with great economic resources, which can leave a lasting legacy to the local community. In addition, local businesses rely on mega events and festivals to boost their income for the year; for many it may well be 'the icing on the cake'. Getz offers a definition of mega events:

*Mega events, by way of their size or significance are those that yield extraordinarily high levels of tourism, media coverage, prestige, or economic impact for the host community, venue or organisation. (2005: 18)*

A wide range of events exists, and can involve cultural, environmental and social impacts. Each has its own popularity that helps to categorise the size and type. The Olympic Games is recognised as the world's largest sports mega-event, allowing substantial economic, social and political benefits for the host nation and local community. Müller (2015, p.627-628) states that mega-events can be positive forces for urban development, depending on the size of the event.

*What turns an event into a mega-event will vary depending on the focus. Mega-events have different dimensions in which they can be 'mega' and not all mega-events are 'mega' in the same dimensions and to the same degree. We should thus not only ask 'if' an event is mega, but 'how'.*

## Long-term legacy of events

Over the last three decades the long-term legacy of events and festivals has become a very important notion for event managers, public policy makers and stakeholders in justifying the significant benefits of hosting mega-events. Event organisers have mainly promoted the economic, social, environmental and touristic advantages but have failed to show the negative consequences of mega-events for the host community. Thomson et al. (2013, p.111) argue that events organisers use the legacy of mega-events to justify the investment:

*Events legacies have become a common feature in the public policy rhetoric surrounding sport events of all sizes. Public policy planners and event organizers are increasingly promoting the legacies of sport events to justify significant investments required to host*

them. Within the context of special events, legacy is most often recognized as the long-term or permanent outcomes for a host city from staging an event.

Mega-event and festival organisers discuss legacy to satisfy the government, community and visitors that resources are required to enhance the development of the host city. A study carried out by the Office of Financial Management (1997) in New South Wales argues that Olympic Games organisers highlight the financial output.

*In order for the demands related to the Olympics to be satisfied, resources are required, and some of those resources may be diverted from other uses. To the extent that demands related to the Olympics absorb resources that would not otherwise have been utilised, such as labour resources, they will add to both employment and the total output of the economy.*

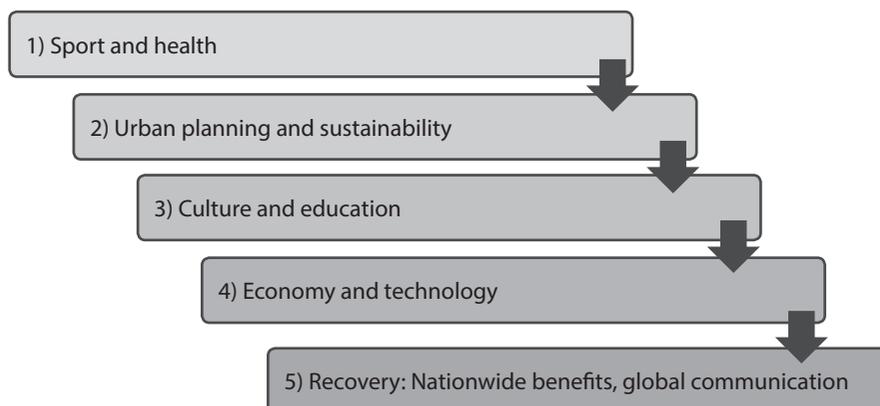
Legacy has become a key principle of the events and festivals industry to justify financial losses and insufficient attendees. The main reason governments and regional agencies support mega-events is the long-term legacy of structural change that it brings to host cities, locations and communities. As a result of mega-events, local areas are developed and the benefits are passed on to the local community in the long-run, marketing the destination to a wider audience. The International Olympic Committee requires host cities to present legacy planning as a part of the bid and state clearly how long the legacies will be sustained for the local community after the event.

Cities that bid for mega-events provide detailed plans showing the large-scale social impact for the host community – increased employment, tourism and demand for local products and services, and improved infrastructure. The Legacy Strategic Approach Moving Forward (2017) describes Olympic legacy as:

*The result of a vision. It encompasses all the tangible and intangible long-term benefits initiated or accelerated by the hosting of the Olympic Games/sport events for people, cities/territories and the Olympic Movement.*

In this way, the International Olympic Committee ensures that candidate cities fully embed legacy in their bid.

The Tokyo 2020 organising committee worked very closely with key stakeholders to promote the five pillars legacy action plan (Figure 19.1).



**Figure 19.1:** Tokyo 2020 Five pillars legacy action plan

Legacy has been a fundamental principle for large sporting events, passing on the benefits to the host community by enhancing sport for young people (Table 19.1).

**Table 19.1:** Types of legacy (Olympic Legacy, 2013)

Sporting	The introduction of a variety of sports within the area Increased participation of women in the Olympic Games improves the percentage of females actively involved in sports activities in the host community World class sporting facilities
Political	Potential for improvement in education Promote the Olympic Truce as a cultural aid to promote peace and mutual understanding in the world and seeking to prevent and resolve conflict through sport and culture. Introduction of various cultural considerations to the host community
Economic	Difficult to measure due to constant variables Long-term benefits for the community through regeneration projects
Social	Builds upon national pride and traditions Long-term recognition as a successful sporting nation Used as an historical tool, educating the young community about its social past

### The long-term legacy of the London 2012 Games

The prime purpose of the London 2012 Olympic Games was to create a long-term legacy to the local area. It took over 10 years to win, plan and deliver the Olympic Games and the legacy was created for local people with long lasting change for the local community. Higgins (2008) identified the five main areas in which the London 2012 Games needed to invest in order to develop its long-term legacy.

## Economic impacts of events

Historically, economic impact reports have been published as a prelude to the event and when the event concludes, particularly in the case of mega-events. Academics and established independent organisations have consistently been given the responsibility to produce reports and have made available to the wider public evidence that suggests mega-events can bring a significant economic value to a host community, whether through tourism or major infrastructural build programmes. In addition to this, economic studies have also been published by the host nations and official rights holders after each Olympic Games. The spending is reported as providing significant and worthwhile additions to the host locations. In most circumstances that infrastructure in the shape of homes, roads and commercial buildings is a welcome addition to any city. However, the initial spend to acquire those assets to a large degree comes from local and national taxpayers within the host nation. Ki Wan and Song (2019) are of the view that countries that host mega-events always have an opportunity to boost their economy and increase growth through tourism.

However, the cost of infrastructure investments and promotion may outweigh the benefits generated by the mega-events. Measuring the impact of such events on a hosting country's economy is not easy, especially as mega-events generally involve many sectors of a destination's economy.