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Globalizing and Organizing**

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Major International Events and the Working Poor: Selected Lessons for Social Actors Stemming from the 2010 Soccer World Cup in South Africa

Glen Robbins



WIEGO Technical Briefs

The global research-policy-action network Women in Informal Employment: Globalizing and Organizing (WIEGO) Technical Briefs provide guides for both specialized and non-specialized audiences. These are designed to strengthen understanding and analysis of the situation of those working in the informal economy as well as of the policy environment and policy options.

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Summary

This Technical Brief explores issues that arose before, during and after the 2010 FIFA World Cup in South Africa, with the aim of informing the activities and interactions that organizations working with and for the working poor might engage in around major sporting events. Such major international events are likely to be a growing part of future city life worldwide as cities vie for “world class” status. The paper does not provide a comprehensive review of the impact of the 2010 FIFA World Cup, but rather uses material gathered by WIEGO’s Urban Policies Programme and supplemented with insights from individuals who had direct exposure to processes around this event to explain the processes inherent in staging such an event and to highlight issues that could require action and advocacy. This is intended as an organizational tool for planning and strategy development for those working with vulnerable groups in cities where such events are intended.

If I had a chance to speak to him [FIFA President, Sepp Blatter] I would ask him to explain the decision of not involving us from the beginning, it is very wrong. The community of South Africa as a whole is also constituted by the poor people, including the street vendors, and we are the key of South Africa. The majority and main people of South Africa are outside of what FIFA is doing. Not involving us is the reason why I feel that the World Cup is not for us poor people.

South African street vendor, quoted in Hedman 2010:9

They should act before the World Cup! Here, we only heard about our conditions and what we are allowed to do and not to do, now, today, when it is only a few days before the World Cup. They need to make their voices heard before things get finalised.

South African street vendor quoted in Hedman 2010:29

Introduction

The Fédération Internationale de Football Association (FIFA) 2010 Soccer World Cup was hosted by South Africa and was the first World Cup to be held in Africa. Both the South African government, led by the African National Congress (ANC), and FIFA have officially declared the World Cup a success, with President Jacob Zuma proudly stating that 'South Africa had proved the Afro-pessimists wrong'. The World Cup has now come and gone, and South Africans have returned to their 'normal' lives. In addition to tangible economic benefits and sports legacy, the World Cup was supposed to provide intangible benefits, such as helping to forge a cohesive national identity and building a positive image of South Africa. But this was a transient moment and the World Cup legacy was more 'mythical than practical'. As the tournament was drawing to a close, the cohesive effects of the event seemed to disappear with the spectre of xenophobic attacks on foreign nationals raising its ugly head, and with well over a million public sector workers preparing for strike action across South Africa. The promises of the trickle-down economic effects of the World Cup legacy evaporated almost as soon as the drops landed. Moreover, there is overwhelming evidence that the sponsors of mega sporting events often underestimate the costs and overstate the benefits.

Cottle 2011:1

Global events are a feature of modern urban life. Increasingly these events are being hosted in the developing world, raising new challenges as to how they are organized and what impacts they might have. This report seeks to provide some indication of issues that arose in the 2010 FIFA World Cup in South Africa, and to consider how these might inform other stakeholders in planning for future events. The brief is based largely on material gathered by WIEGO's Urban Policies Programme and supplemented with insights from individuals who had some direct exposure to processes around this event in South Africa, including researchers who studied the event; staff of NGOs operating in Durban and Johannesburg working with, and on, urban-related issues; and some municipal staff in Durban and Cape Town.

Purpose of the Briefing Note

This Technical Briefing Note has been prepared with the express aim of informing the interactions that organizations working with and for the working poor might have with a range of institutions and organizations in the lead up to major sporting events, during such events, and after such events. It seeks to highlight, based largely on the South African experience of hosting major events (especially the FIFA 2010 World Cup), issues that might need explicit advocacy attention as well as possible processes that can be undertaken. The briefing note does not provide a comprehensive review of the impact on major events on the working poor, although these issues are discussed, but is rather intended as an organizational tool for planning and strategy development for those working with vulnerable groupings in cities where such events are intended.

Setting the Context for South Africa's 2010 FIFA World Cup Bid

Even before South Africa's first democratic elections in 1994, processes were initiated to re-integrate the country into the global sporting organizations from which it had been expelled in the 1960s and 1970s for its apartheid policies. These processes were seen as an important element of crafting a new identity internationally. Considerable diplomatic maneuvering was entered into, prior to the 1994 elections, to enable the country's sporting federations to host major events such as the Rugby World Cup in 1995 and the African Cup of Nations in 1996. South Africa's national government also backed a bid by Cape Town to host the 2004 Games (adjudicated in 1996) – a bid which subsequently failed. At this point in time, a coalition of interests began to make a case for South Africa to host the 2006 FIFA Soccer World Cup. While this first bid was unsuccessful, the result of the uproar over FIFA's voting procedures led world football's governing body to agree to a revised bidding process with a continental rotation, guaranteeing an African nation the prospect of hosting the 2010 event. Drawing on the goodwill of former President Nelson Mandela, and illustrating the country's success in hosting other events such as the ICC Cricket World Cup in 2003, a new bid was submitted with expanded commitments from government at all levels. These commitments were substantively informed by the character of the preparations being made for the 2006 event in Germany, which were generally seen as setting a new benchmark that future events would have to aspire to.

It is notable that these commitments were made without any widespread consultation with other societal stakeholders. The Congress of South African Trade Unions (COSATU) – South Africa's largest trade union confederation – argued in 2006 that it was being excluded from discussions about the event planning. Similar concerns were raised at the city level by other groups, including Abahlali Base'mjondolo (ABM), which organizes people living in informal settlements, and StreetNet partners that work in the informal economy sector.

The FIFA 2010 World Cup in South Africa

The 2010 FIFA World Cup in South Africa took place in June and July 2010. The event involved participation of male football teams representing 32 nations. It was staged in nine cities: Bloemfontein, Cape Town, Durban, Johannesburg, Nelspruit, Polokwane, Port Elizabeth, Pretoria, and Rustenburg. Event organization was managed through the South African Local Organizing Committee (known as the LOC), which involved a combination of FIFA-appointed officials and South African representatives from the state and from the South Africa Football Association (SAFA). It was the LOC that was tasked (in the form of a three way contract between the South African government, FIFA and SAFA) with the successful delivery of the event. This process was accompanied by direct negotiations between FIFA, the LOC and the South African government through its Inter-Ministerial Committee¹ (of the national cabinet) over the specific terms and arrangements for hosting the event. These discussions related to amendments and commitments required from the South African government in ensuring the bid would be fulfilled in a manner that ensured the smooth running of the event in logistical terms, as well as its optimum impact as a commercial venture.

The role of the Inter-Ministerial Committee was largely to ensure that relevant government departments were coordinated in their activities and to facilitate agreement on allocation of national level funds across the host cities. The committee was advised by the Technical Coordinating Committee, which oversaw the specific national level commitments such as implementation of the security plan and the upgrade of broadcast infrastructure.

¹ The Inter-Ministerial Committee was formed as a result of concerns that fragmented interactions with different government structures (security, home affairs, transport, etc.) would threaten the success of the event. This demonstrated the high degree of political leadership commitment provided by the South African government.

In terms of an agreement between FIFA and the South African Government, published on 29 May 2003 (some seven years prior to the event), the following commitments were made:

- “Government would welcome the Competition to South Africa;
- All Government guarantees requested by FIFA would be issued to ensure the success of the Competition;
- Government would adopt all measures, including passing the necessary laws, in order to comply with the abovementioned Government Guarantees to ensure the success of the Competition;
- Government would undertake to ensure that all Government Guarantees issues would be binding on all relevant national state and local authorities and/or any successors.”

Government of South Africa/City of Cape Town/FIFA, 2006:6

These guarantees included a wide range of matters from the provision of infrastructure, communication protocols, legal commitments and the like.

Responsibilities and Revenues

Key institutional responsibilities for the event have been described by Davies (2009). These are important in that they directly influence spaces for engagement by actors outside the direct partner entities involved in delivering the event. FIFA always owns the event and has full rights as such to contract with advertisers and service providers related to the event, including official travel and booking agents, suppliers of services at the stadiums and the like. For the 2010 event, FIFA's main revenue stream was the sale of commercial advertising and sponsorship, as well as media rights to the event (mainly in the form of television broadcast rights). These advance deals, following on the Germany event, made the 2010 event the most profitable for FIFA to date, with ticket sales at the event being only a small portion of total revenue.

“FIFA's role in organizing the World Cup tournaments is evident in the fact that countries 'host' the World Cup, with the event itself being 'owned' by FIFA. FIFA, in collaboration with a local counterpart, the LOC, oversees preparations for the World Cup and manages the event. Whereas FIFA undertakes to provide the *entertainment*, it is necessary that the host country, and in particular, the host cities provide all the necessary infrastructure and services. Thus there are two distinct broad roles and categories of costs and requisite budgets: those that cover the logistics for and management of the event, and those roles and costs related to investment in the stadiums and other infrastructure. This latter includes, inter alia, transport and broadcasting/telecommunications infrastructure, safety and security, health services and other undertakings pertaining to the rights and interests of global partners and international and national sponsors.”

Davies, 2009:33-34

With these responsibilities clearly established, FIFA can use its revenue to cover its own costs in administering the event and those of the running of the LOC. FIFA also commits to pay a portion of the revenue after the event to all of its member associations and a portion to the host country association (in this case, SAFA). A FIFA Coordinator is appointed to be the day-to-day liaison person between the office of the FIFA General Secretary and the LOC. Considering the commercial risk FIFA carried into the 2010 event, they played a major direct oversight role and officials regularly inspected progress and met with relevant national and city-level government officials to ensure there was adequate progress on commitments made. Here, FIFA made extensive use of the Host City Agreements signed with the nine municipalities. These set out the city obligations in terms of delivery of infrastructure and related services that were deemed critical.

Host City Agreements and Their Impact

The Host City Agreements were, according to many observers – including officials involved in the Germany event in 2006 – unprecedented in terms of the extent of the commitments and guarantees to which cities had to commit. To get a flavour for these, it is worth noting some of the fields covered by these agreements:

- Section 5 - Host City Rights and Opportunities: This covers the circumstances under which host cities can secure the rights to use FIFA and World Cup associated logos and images (covering websites, municipal publications, marketing material, signage). It also specifies terms under which the host city's own name might be used at stadiums and official events (for example, granting a space of one 25 to 50 m² area in the stadium precinct and a sign board within the stadium).
- Section 6 - Host City Obligations: This section specifies a wide range of obligations for host cities ranging from “exclusion zones around stadiums,” in which no non-FIFA approved activities can take place for the duration of the event; a rights protection programme where the host city commits to help protect FIFA and FIFA's commercial partners trademark and copyright interests; a reach agreement on city beautification with FIFA; and a commitment to elevated public service obligations (cleaning, back-up power, etc.) (Government of South Africa/City of Cape Town/FIFA 2006).

Both Section 5 and Section 6 required the host city to commit to a revised set of municipal by-laws that enabled the enforcement of the agreements. Section 6 was framed so broadly that it effectively guaranteed FIFA could make demands on host cities around many elements, including issues such as public space trading, hawking and other activities. Both municipal police and South African police utilized the frameworks of these agreements and related by-laws to arrest protesters in designated areas, confiscate goods of traders, and prevent activities deemed unauthorized including, in some cases, begging and car-guarding (the provision of informal parking security).

The eThekweni (Durban) 2010 FIFA World Cup specific by-laws provide an insight into the degree of enforcement required by host cities. In the case of Durban, the by-laws were set out to cover the following (eThekweni Municipality 2008):

- advertising
- controlled access
- public open spaces and city beautification
- public roads and traffic guidance
- street trading

The provisions around street trading not only had an impact more generally through the beautification commitments, but also effectively outlawed trading activities associated with any approved or official venues. For example, the by-laws were drawn on to remove subsistence and leisure fishermen from beachfront areas (Lapper 2010). The by-laws set out wide powers of search and seizure that stipulated compensation for lost products would not even be considered.

At the host city level, organizing committees were established to bring together representatives of the national LOC, the provincial structures of SAFA and the municipality to oversee the city-level delivery of programmes. These tended to operate as information sharing points and to ensure coordination during planning with bodies such as the police. These committees also agreed on specific priorities in some cities for legacy projects that would, for instance, improve sporting facilities in the city to commemorate the hosting of the event. These local committees also played a role in working with stakeholders such as hoteliers and the transport industry to ensure adequate planning. In the bulk of the cities the background work for these structures was largely done by special municipal teams set up for the 2010 event planning and delivery.

Funding and Costs

In terms of domestic funding for the event, the bulk of the resources were provided by the national government through a special allocation offered on the basis of applications made by the host cities to cover stadium and infrastructure costs. According to official sources, the national government contributed in the order of R28 billion (USD3.73 billion²) to the event hosting costs: stadiums made up just under R10 billion (USD1.3 billion); transport R11 billion (USD1.5 billion); and safety and security R1.3 billion (USD173.3 million).³ Other estimates suggest this was as high as R33 billion (USD4.4 billion), with stadium costs escalating to close to R12 billion (USD1.6 billion).⁴ Municipalities in the host cities had to cover any shortfall related to event costs, which generally included shortfalls on stadium, transport, precinct upgrades as well as the costs of enhanced services for the event such as security. Estimates vary by city, but in some cases these additional costs were over the R1 billion (USD133.3 million).

It is particularly important to note the extent of additional budgetary commitments that were required by all levels of government, over and above the initial estimates.

Government estimates suggested that the event would create 130,000 jobs and contribute 0.4 per cent to the national GDP in 2010 by injecting R38 billion (USD5.07 billion) into the economy. An official, post-event assessment by the South African government outlined that the event attracted 3.1 million spectators to the matches (excluding those attending fan parks and the like). Government also reported a 25 per cent increase in visitor numbers to the country during the period; however, these fell way short of initial estimates and in fact the Minister responsible for tourism admitted that only 4 per cent of 2010 tourist arrivals were associated with the World Cup. It is notable that not only did the initial estimates of cost to the South African government severely under-estimate the actual costs, but the initial impact projections were also wildly optimistic. It has been argued by the LOC officials that these differences were due to global economic instability in the 2008-2010 period, which resulted in cost increases for inputs (for example the pressure on cement and steel due to demand in countries such as China) and declines in visitor numbers associated with recession in traditional football-supporting countries.

From analysis of the event, it appears that in most instances the costs associated with these risks were carried by South Africa, with FIFA having secured its income source from the highly profitable sale of media rights some years before (what FIFA referred to as the most profitable sale of media rights ever, in fact). South Africa's gain from the event was limited to direct and indirect impacts of visitors, consumption increases and brand profile and from a share of ticket sales, those these sales in fact accrued to the South African Football Association and not to the national treasury. A reflection of how profitable the event was for FIFA can be seen in the fact that FIFA increased the prize money for the winning team (and the relevant national association) by 61 per cent over the prize in 2006.⁵

Cost escalations also required host cities to increase their budgetary provisions and make additional requests for further national government support. For instance, Durban stadium-related costs, which had originally been estimated to be under R800 million (USD106.7 million) prior to the final approval of South Africa's bid (for the conversion of an existing stadium), subsequently escalated to projects costing R1.6 billion (USD213.3 million) and finally to a figure over R3.1 billion (USD413.3 million) (of which R1.8 billion was funded by national government and R300 million by the KwaZulu-Natal Provincial government) (Dardagan 2009). These figures exclude a wide range of additional costs that the municipality had

² A standard exchange rate of 1 USD (United States Dollar) = 7.5 ZAR (South African Rand) is used throughout the report. This rate applied for much of the 2010 period, although many of the sums were actually spent in prior years when the exchange rate fluctuated above and below this level.

³ Accessed from www.info.gov.za on 22 September 2010.

⁴ Accessed from www.fifa.com on 14 September 2010.

⁵ The prize awarded was USD31 million (Gibson 2009).

to absorb, including expenditure on upgrading and beautifying the city, improving transport infrastructure (some of which was also supported by a national government grant) and extensive service costs relating to personnel dedicated to servicing the event and areas deemed priority areas for the event. Specific figures for the total capital spent by the municipality (including national grants) are not available; however, some estimates gleaned from municipal officials would place the figure close to R4.5 billion (USD600 million). In some years leading up to the event, these amounts made up an estimated 20 per cent of total municipal capital expenditure.

In a context of deep and extensive poverty in the city of Durban, where around one third of households live in informal settlements with limited access to services and close to half of households live in poverty, these allocations and the escalations were certainly a major concern to civil society groups. Arguments were made about the immediate benefits of the event related to improved profile, increased visitor numbers and the like. However, these were generally seen to be somewhat disappointing. Moreover, Durban has been left to cope with ongoing post event maintenance expenditures on the stadium and other facilities. The exclusionary consequences of these commitments were rejected by municipal officials but even the municipality's own publicity material only specified upgrading of community stadiums in a few suburbs as the main benefit beyond the already well-resourced core of the city.

City Improvement Strategies

The nine host cities did not necessarily have common strategies for hosting the event. However, there were some common threads. All wanted to use the 2010 FIFA World Cup to secure greater publicity for themselves as a tourism and investment destinations. The coverage of the event needed to be leveraged with substantial marketing commitments to secure the number of visitors. In most cases this involved increased allocations before, during and after the event. As well, all cities looked to address transport challenges, although the scale and scope of what was done differed substantially, and each made a considerable drive toward upgrading areas that event visitors might access. Finally, the cities upgraded some additional sporting facilities as possible practice venues and to enable community access to improved sporting facilities.

Some cities also developed plans related to the so-called “greening” of the 2010 World Cup, which involved anything from carbon off-sets to enhancements of existing “green” areas.⁶ Despite a commitment to be inclusive, these processes did not engage with informal economy actors around roles and matters such as recycling, thereby neglecting opportunities to widen the stream of benefits. In some cases, “greening” efforts were in fact used to justify the removal of public space traders who were deemed to be engaging in activities contrary to the image municipalities sought to promote. For instance in Durban, traders at the Blue Lagoon site – subsequently repositioned in city branding as a “Green Hub” – reported increased harassment from municipal police toward organizations' work with traders.

Host cities were required to designate substantial areas around the stadiums and official FIFA Fanfest/ Fanpark areas as zones of exclusivity where FIFA would have rights over public space in terms of advertising, merchandise sales and consumables. These commitments were negotiated with each host city and then were to be implemented by the cities in conjunction with FIFA. These zones were also specified along with other regulatory requirements around road closures and the like in special by-laws passed to ensure that FIFA's rights were protected in law. Under such circumstances, acts such as so-called “ambush marketing” were outlawed, as was the trading of goods and services in these areas without the requisite approval of FIFA.

⁶ Some examples of these activities include the development of some carbon offset programmes such as the planting of indigenous trees and the promotion of recycling. See for instance <http://fifaworldcup.durban.gov.za/Pages/GreeningDurban2010.aspx> and <http://www.greening2010.co.za/>.

In the period leading up to the event there were significant impacts on poor residents in the city who either lived proximate to areas of major event activity or whose livelihoods had depended on access to such areas in the past. For example, around major stadiums during significant soccer matches in South Africa, there would usually be many mobile informal traders selling foodstuffs and other goods (including clothing and supporter's paraphernalia). For the 2010 FIFA event, these traders were prevented from setting up stalls or operating mobile selling operations in designated precincts specified in the Host City Agreements. Furthermore, people trading publicly in areas around major transport nodes or living along priority transport routes in informal settlements were also subject to removal prior to the event. Host cities and the South African Police Service also stepped up their counterfeit goods operations, trying to ensure that only official merchandise would be on sale at official sales points for the event. This resulted in an increase in confiscations of goods from traders in the time leading up to the event and afterwards. An article by Horn (2011) provides a wide range of examples where the event was used as an excuse to trample the rights of vulnerable people in urban areas.

Strategies Aimed at Benefitting the Working Poor

Some host cities sought to speed up housing delivery in areas of high visibility and also to make provision for public space trading in alternative areas. These efforts might have mitigated the negative impacts, though many observers and informal settlement dwellers subject to these accelerated interventions have questioned the true results. Some cities also stated that they sought to include those in the informal economy in volunteer programmes, through which individuals would receive training that could improve their prospects in future. There is also evidence that some cities or other stakeholders encouraged visitors to access areas with public space trading or to visit other informal businesses such as *shebeens* (informal taverns) near Soccer City. While the intent was to generate positive impacts for people working in these economic activities, these impacts, if significant at all, were very uneven and short term at best, and not even the official reviews make much reference to them. There appears to be much more evidence of the disruptive nature of the event and its negative impacts, both direct and indirect. Horn (2011) makes the critical point that where negative impacts were lessened or positive impacts secured, these were invariably the result of pressure placed on relevant actors by organizations mobilizing the affected groups – for example, those associated with the World Class Cities for All (WCCA) campaign.

Legacy Concerns

A key concern raised in a number of circles has been whether the exclusionary nature of events such as the World Cup will be a lasting legacy. In this regard, concerns were raised about the setting of new benchmarks by municipalities, oriented towards some notion of world-class standards, that could result in the retention – and in some cases expansion – of 2010-related provisions. This is likely to be aggravated by municipalities seeking to attract additional events to their cities and drawing on the World Cup frameworks to make the necessary commitments. For instance, there appears to be ongoing rigorous enforcement of trading exclusions around some of the stadiums and in priority areas specified in the Host City Agreements. Furthermore, commitments made in terms of various legacy projects remained unclear or in dispute some time after the event. Much was made of the so-called “legacy” factor in the lead up to the event and during the event too, but these commitments tended to be framed in very broad terms such as those related to improved transport infrastructure, upgraded sporting facilities or enhanced football development programmes. No consultative process was followed to determine what an appropriate legacy should be in the cities and what the legacy might mean in terms of trade-offs for different urban stakeholders.

Reflecting on the Event in its Aftermath

This section, rather than providing a full analysis of the impact of the World Cup, will instead provide some indication of the impact considerations that were noted as being significant by organizations working with the urban poor.⁷ Other sources provide a much more detailed critique of the event impact (see for instance Cottle 2011).

It is worth noting that in official terms, the event was deemed a considerable success. FIFA President Sepp Blatter, at the closing of the event, stated that South Africa got a nine out of a possible ten in its hosting of the event (Ntloko 2010).⁸ It is also important to note that according to Jerome Valke (The FIFA General Secretary), “The total revenue accrued to FIFA is R25 billion ([US]\$3.4bn) tax free – ‘making the first World Cup in Africa the most profitable in FIFA History’” (cited in Bond & Cottle 2011: 48). The event was widely praised as having run smoothly and having delivered on its promises. Although there were some concerns about the muted economic impact arising from the reduced visitor numbers and lower than expected expenditure due to the global economic climate, the sentiment among the organizers and in the established media was of a well run event with good quality stadiums and supporting infrastructure. However, following the event, there has been considerable cause for reflection on notable concerns that arose before, during and after the event.

Diversion of National Funds for Social Programmes and Productive Investment

The most widespread concern articulated was that the very significant funding for the event could have been better allocated to meeting the needs of the poor, rather than on the extravagance of such an event. South Africa’s national government has answered that allocations to poverty-oriented programmes increased in the mid-2000s, during the period the government had stronger revenue intake from higher growth years. However, there remains a sense that the stated returns of the event did little to meaningfully impact on the lives of the poor, and that the case for allocating such significant sums to this type of event is hard to sustain in the context of such poverty and inequality (South Africa’s Gini coefficient is amongst the highest in the world⁹). In this context, a strong case was made by social movements that the hosting of such an event could be seen as an unnecessary extravagance.

Diversion of Local Funds for Social Programmes and Productive Investment

All the host cities had to allocate substantial sums of their own revenue towards hosting the event. While national subsidies covered anything between 60-100 per cent of stadium costs and made contributions to improvements in public transportation and some other urban improvement costs, municipal governments had to spend considerable sums to both capital and operating expenditure. Significant investments were made in urban design and urban upgrades, for additional football facilities development, beautification, greening, etc. in nodes for tourists and at the fan park areas. Municipal governments also had to contend with requirements around additional staff and dedicated personnel during the event, leading to overtime and training costs. Additionally, Emsie Ferreira reported in the *Mail and Guardian* that national, provincial and local governments made considerable unauthorized expenditures on tickets for the events: “Finance Minister Pravin Gordhan will soon meet the Auditor General (AG) and chairman of Parliament’s watchdog public accounts committee to discuss World Cup ticket purchases of R130-million by state entities, the

⁷ Interactions with the following informed this discussion: Cosatu, StreetNet, Asiye eTafuleni, Abahlali baseMjondolo, Diakonia, Civil Society Budget Forum.

⁸ Blatter went on to state that, “Perfection does not exist in our lives or even in this world. How on earth can you give 10 out of 10 when you know that there is no way everything can run smoothly and perfectly the whole month?” Intriguingly Blatter also stated, “And do not forget that the nine out of 10 is a doctorate at university” (Ntloko 2010).

⁹ The Gini coefficient is a measure of the relative distribution of wealth in a society, with numbers closer to zero providing evidence of low inequality and numbers closer to one being evidence of high inequality. South Africa’s Gini figure has been rising to a figure well over 0.6, with well more than half of South Africans living in poverty.

National Treasury said on Wednesday. The tickets have been bought by government departments, public enterprises and municipalities” (Ferreira 2010).

Over and above this, there were concerns that the promised flows of funds allocated by cities for exigency items immediately before and during the event will not be honoured by the LOC or FIFA. Some estimates have placed this as high as R500 million (or around USD66.7million) (Waterworth 2010). Municipal officials in Durban indicated that the bulk of these had to be carried by the municipality. Such contingency costs appear to be a feature of these large scale events, are difficult to predict and generally have to follow procedures that are not consistent with standard budgeting. In a number of cities these expenditures have been the subject of outcries over what are called Section 36 allocations, where standard procedures are circumvented (Mbuyazi 2011).¹⁰

Diversion of Attention and Expertise by Municipal Officials and Political Leaders from Key Social Endeavours

The intensity of the preparation for the World Cup event and the pressure on host cities to deliver caused many to allocate some of their most capable staff to specialist teams to work on the lead up to the event as much as four years prior to the event. While in some cases this could have led to a boost in capacity within municipal structures as they prepared themselves, it also tended to leave gaps in skills and focus in programmes that had little to do with the World Cup. It is notable that in a number of the host cities, specialist teams that were established to drive World Cup-related commitments have been retained for other city initiatives. There is not clear evidence that the wealth of experience gained is being directly applied for the benefit of the urban poor or that such commitments to effective resourcing of departments extends to those units that deal most often with the urban poor and marginalized people.

The Hangover of Stadium Maintenance and Management

As the event fades from public attention, there is more and more attention on the costs of maintaining the infrastructure beyond the original construction costs – especially in terms of the stadiums. Most recently the appointed operator for Cape Town Stadium, StadeFrance/Sail, pulled out before committing to a 30-year lease, citing that the annual operating costs of around R400 million (USD53.3 million) for the R4 billion (USD533.3 million) stadium could not possibly be covered through revenue. These maintenance and operating costs now revert to the City of Cape Town. Operating costs cited by other cities have been much lower: R20 million (USD2.6 million) a year for Nelson Mandela Bay Stadium; R70 million (USD9.3 million) a year for Soccer City in Johannesburg; and in Durban, Moses Mabhida stadium with costs estimated at around R30 million (USD4 million). These remain an ongoing expense that not all cities will be able to recover through increased revenue from other sources. It should also be noted that the stadiums have been operational in most cases for less than a year, and so true operating costs are not known; many suspect these will be higher than most cities are projecting.

Moses Mabhida Stadium is cited as having been specifically designed to accommodate a multitude of events and therefore reduce its potential operating deficit. Although the stadium has hosted such a diversity of events, more often than not these have been heavily subsidized by the municipality and/or the provincial government. A press report noted that in the couple of years since the World Cup, the municipality had paid over R50 million (USD6.7 million or over USD3 million a year) to attract events to the stadium (The Mercury 2012). City officials confirmed that these investments were unlikely to decline as the municipality was keen to leverage the facility to attract more events and more tourists.

¹⁰ Mbuyazi’s article (2011) states: “Alleged abuse of the policy has been the subject of much debate and disapproval from many councillors since last year. Section 36 contracts spiraled from R680.7 million in 2009 to R1.03 billion last year.”

World Cup, Legacy Projects and Transport Changes: Reconfiguring the City Spatially to Advantage the Wealthy

Concerns have been raised that many of the temporary requirements for the World Cup – such as the zones of exclusion/priority – might be maintained indefinitely or re-introduced with other events in the city, thereby permanently disrupting the working lives of poor people. This is done to present a clean and orderly city to tourists and to placate wealthier citizens and formal business. Although the active policing of informal trade in the areas has allowed some patchy trading activity, there remain areas where, to a large degree, only limited licensed trading will be permitted and unlicensed trading will be prevented. Areas such as the Durban beachfront and the Fan Mile in Cape Town are examples where the municipalities have indicated an intention to continue to curtail trading. The provision of additional sites has not, in most cases, been considered for public space trading activities. It is also important to note that the considerable investment of public funds in any particular space has a series of potential displacement effects. One of the most notable is that the investment can cause a spike in local property values, squeezing out other local land uses such as low rental accommodation or small business premises. Concerns have been raised in Port Elizabeth and other cities such as Cape Town over these real estate-related impacts. What might be seen as a successful leveraging or attracting of private developer interests can have a displacing effect on urban residents who have no specific property rights or who are seen as undesirable in a location ripe for redevelopment.

The issue of transportation has also been noted in feedback from various stakeholders. It was a core objective from the national government that the hosting of the event contribute directly to reconfiguring public transport. Although in a city such as Johannesburg, the introduction of the Rea Vaya Bus Rapid Transit System brings wider benefit, there have been issues raised even in that context – unlike with mini-bus taxi drivers, it has not proven possible to negotiate for the moving of trader product on designated routes. Furthermore, there is also evidence that some aspects of these schemes – such as the Gautrain – are pitched at a cost unaffordable to many urban residents. The issue of relocation of traders at key transport redevelopment sites was also noted. After construction was completed, authorities were not willing to allow traders to return to sites or original trading sites were made inoperable due to the new infrastructure. This is particularly important where so much public space trading is associated with the thresholds that arise for local or city-wide transport nodes. Where such sites are redeveloped, the exclusionary impacts, not just during construction but also after, can be high.

The Municipal Strategy's New Focus on Global Identity at the Expense of Local Rootedness

There is considerable international literature that city leadership and bureaucrats can be captivated by the exciting prospect of being a festival city where it becomes the norm to attract costly international events through direct and indirect public subsidies. Leaders get captivated by the hype and the prospect of publicity that comes with such events, as well as the prospect for growing the city's image globally for tourism and investment. There is a risk that other aspects of potential municipal strategy might be sidelined by these focus areas. Already cities such as Durban are looking to bid for the Olympic Games on the back of what municipal leaders have seen as the unqualified success of the World Cup. This, despite the fact that there has not been a full and open post-mortem of the World Cup event done by independent experts. Here it is critical to note that such assessments should not be just about the measurement of impact against investment but should also take account of the opportunity cost of not allocating these funds to other possible ventures.

In this regard, it is worth noting that in early 2012 the South African Football Association used the same Host City Agreements as the basis for its negotiations with South African cities for the hosting of the 2013 African Confederation of Football (Afcon) Championships after Libya withdrew its commitment to host the event. A number of

South African city governments raised concerns, stating the obligations in these agreements were inappropriate for a lower order event. This suggests that the concerns raised by some urban stakeholders about the Host City Agreements becoming a new benchmark for city performance that would result in ongoing exclusions were not unfounded. However, the objections of some city officials about having these agreements foisted on them again does suggest a degree of sensitivity to some of the problems with these frameworks.

Lack of Public Participation, Transparency and Engagement

There has been ongoing critique since South Africa secured the World Cup that the commitments made were not subject to public scrutiny. For example Host City Agreements were only made available after they were signed by the cities involved. Decisions about commitments made in terms of expenditure, impact on communities and regulation were made without wide consultation. Some aspects such as proposed by-laws were published for comment and explored with some stakeholders – for example Chambers of Commerce – but were not adjusted to take account of much of the feedback as it was felt that any concessions to local stakeholders might antagonize FIFA.

Not only was consultation limited, but the governance structures set up tended to exclude interests outside those of organized football and the municipal sphere. It is also evident that while the Host City Agreements are framed in legally enforceable terms, commitments to so-called legacy projects (aimed at widening the benefits) at both the national and city level – some of which were outlined in bid documents – were not enforceable, and very little if any information is available about these.¹¹ In the post-event period, there has been no significant attempt to bring stakeholders together to discuss the impacts and to consider future possibilities. While it is true South Africa has democratic local government structures, the imperative to engage in more meaningful dialogue with stakeholders has not been attended to, despite calls for this.

It is notable that the lack of transparency in processes right from the start of the bidding and within FIFA's global processes creates enormous potential for abuse. These issues are discussed at length in a set of investigative reports edited by Shultz Herzenberg (2010).

Minimal Green Goals and a Shortage of Social Goals

In the context of raised international attention on climate change issues and the environment, FIFA encouraged the LOC in South Africa to get South African cities to set out some environmental commitments in their programmes for the 2010 event. This included some attention to carbon impact minimization in construction as well as investing in more innovative energy plans. In eThekweni, the Green Goal programme also involved carbon offset projects such as the planting of indigenous trees, some of which was done through community projects. While some have suggested this was largely “greenwash,” there have been people that noted this emerging commitment should be welcomed and extended to the social field, where cities would be required to commit to programmes around the homeless, public space workers and the like. Cape Town, in its 2010 strategy, did list some activities to promote local small business and link vendors to the FIFA 2010 process, but it appears these were very limited in their scope, scale and success.

Concern over Issues of Corruption and Financial Mismanagement

The resources that were allocated for the event and its preparations were substantial. For the cities concerned, they involved somewhere between a one fifth and one third increase in annual capital programmes. Whilst it appears, to date, that the only issues of corruption with stadium tenders involve the Mbombela Stadium in Mpumalanga and, more recently, allegations about tenders issues by eThekweni Municipality, all

¹¹ For instance, it is quite widely reported that some upgraded sports facilities delivered in these legacy projects are very much under utilized and some projects have not been completed or sustained beyond the World Cup. This is highly problematic in that these were used to make the case for how more people would benefit.

the cities needed to by-pass regular procedures to be able to commission the work timeously. As well, there were a considerable number of tenders that invoked special Section 38 provisions (in the Municipal Finance Management Act), which allow for a curtailed tendering process without the full range of checks and balances. In a number of cities, concerns were raised that some of the business entities commissioned to do work had very close connections with leading public figures in local, provincial or national politics. There were also “fair value” criticisms made of some of these contracts where the market was not fully tested for alternative pricing structures or even technologies. Here it is worth noting that as a result of some of the experiences, South Africa’s Competition Commission has initiated a range of investigations into price-fixing collusion between major suppliers and construction companies involved in these and other large scale state projects. A variety of observers have pointed to the high prevalence of corruption around mega-events (Herzenberg 2010). There are, in fact, ongoing investigations in both Mobombela and Durban around high level corruption associated with the 2010 processes. With regard to Durban, the Government Auditor General identified a number of processes associated with the 2010 World Cup that were deemed to have been conducted in an improper manner. The municipality initiated an independent auditor report in 2011 that, although not made public at the time of writing this report, was stated by the Mayor and City Manager to be forming the basis of a range of disciplinary and, in some cases, criminal investigations.

Leading up to the 2010 World Cup and in subsequent years there have been ongoing concerns expressed at corruption at the highest level in FIFA as well. Many observers suggest that these have not been adequately dealt with. Questions continue to be asked around the role of FIFA officials and FIFA region representatives and allegations of corrupt practices. Although, after many years of allegations, FIFA has taken some action in period after the awarding of the event to Qatar for 2022, concerns about a lack of transparency have remained an issue in reporting on the organization and its processes.

Lack of Specific Impact Strategies for the Urban Poor

Few if any of the host cities developed specific strategies to enhance benefit flows to the urban poor from the event itself. Apart from general references to improved transport and job creation, as well as the long-term benefits from increased tourism as a result of enhanced global images, there was little that cities, the LOC or FIFA really did in this regard. Although many of the municipal leaders and LOC members were at pains to argue that the event and legacy processes would be the first to cater to the specific needs of the majority of poor South Africans, the evidence of these impacts is at best limited. This suggests that proponents of the events are most eager to sell them as having deeper societal benefits, but are unable to really provide much in the way of supporting evidence beyond factors such as construction employment and some macro-wide economy impacts (especially driven by the construction sector and to some degree by tourism and related services). The LOC and others set very specific targets to be aimed for around things like visitor numbers, but similar commitments were absent around social impacts.

Longer Term Financial Impact Issues and Risk

The timing of the World Cup in South Africa saw it take place in the midst of a major global recession. As a result there is a challenge to differentiate between recession-related impacts and those of the World Cup. Certainly the growth in municipal public spending during the time might have offset some recession impacts, in that employment and business opportunities were created while the economy was shrinking. However, it is also suggested that municipalities have had to incur a slightly higher level of debt as a result of the expenditure requirements of the World Cup and will also have their municipal balance sheets impacted by the maintenance costs of stadiums, as mentioned earlier in this report. The combined impact of this could be that rating agencies raise their risk evaluations of the municipalities, therefore making future borrowings more expensive than they otherwise might have been. The larger cities might have a better handle on this, but smaller cities could have substantial adverse impacts on the municipal finances in the medium term. It would be critical in future events to build in better safeguards against such effects, and also to take account of the costs from possible external impacts that could aggravate financial impacts.

Divide and Rule

Some evidence was provided by a variety of organizations that maintaining a coherent set of interests to argue for improved social impacts (or at least fewer negative impacts) was extremely difficult before and during the event. Not only was political pressure exerted on various organizations to limit their opposition, but also in some cases uneven processes of consultation contributed to rising tensions. In a situation where the local state selectively engages with some groups and excludes others, major stresses can arise over the legitimacy not just of processes, but also of organizations. In the case of two of the venues (Pretoria and Nelspruit), some concerned groups were offered some volunteer roles with supporting stipends, and it was argued that this was a particular strategy to divide opposition to particular aspects of the events.

A Final Question in the Aftermath of the World Cup

Why can the political will demonstrated in successfully hosting this event not be transferred to dealing with social problems? Many skeptics were proved wrong with a successful event being hosted in South Africa and the delivery, on time, of extensive infrastructure. This has led observers to suggest that if government could transfer the political will it showed to FIFA to projects such as low-cost housing, it might be able to achieve a lot more. The systems of accountability and performance management that governed the World Cup appear not to be required for pressing social challenges that are at the heart of governments' obligations.

Possible Interventions (by phase)

In considering possible roles for different social actors who want to influence the choices cities or countries might make when hosting such large-scale events, there are a number of impact dimensions to consider. Of particular importance is the lengthy, although often difficult to pin-point, lead times in the bidding processes. It is often in these processes that different powerful interests coalesce around the idea of a bid, and seek critical backing from other powerful interests before making public such a desire. In many cases key commitments and governance arrangements are determined in these initial processes, affecting the character of future processes relating to the delivery. As such, any serious engagement would ideally need to begin with a direct engagement with national sporting associations – in the case of the soccer World Cup, with the national football association. Generally these bodies are constituted by representatives from different regions, so there is scope for such engagements at the city or city-region scale. These processes can in some cases be initiated anywhere from 10 to 12 years before an actual bid is made. They usually enter their formal process stage when the national association sets up a sub-committee to investigate and report on the feasibility of a bid. It is at this time that some public awareness could be raised about in the potential for a future bid.

Table 1 sets out a typical process associated with securing such a major event for a country/city. In many cases these processes are initiated with little in the way of public knowledge many years before a formal bid is made. Securing intelligence on these steps is critical and requires those interested to keep an eye on various associations, government programmes and public statements of key city leaders and the like. Organizations with an interest in these issues need to be in a position to exert influence in the early stages to try and secure commitments for public engagement and enhanced social impact. A core theme emerging from the South African experience is that there could be great benefit in relevant stakeholders partnering with other interested groups to appeal for a set of in-principle type agreements that establish how bids need to be planned and events undertaken. Although event-specific engagements are critical, they are often hard to influence once steam has built up around their progress. Ideally, relevant organizations should look to build relevant coalitions at these early stages. For example in South Africa, StreetNet, was involved in tabling a set of issues at the National Economic Development and Labour Council (NEDLAC), a tripartite (government, business and labour) negotiating forum.

Table 1: Summary Table of Phases in Bidding and Hosting a Major Event (Including Common Post-Event Consolidation Activities)

Phase	Nature of activity	Who is involved	Issues to keep an eye on (with specific reference to working poor in urban areas)	Indicator sources
1. National sport codes or national federations identify the possibility of a bid and resolve to initiate processes	Background lobbying done within country and testing of waters done with continental association and lead sporting code role players, as well as with government and commercial interests (such as sponsors)	- National sports associations	Background lobbying for host venue(s) begins Tone of bid and process to win support gives an indication of inclusiveness	Sports body newsletters Press announcements
2. Country decides to initiate bid (8-12 years in advance) (continental rotation system in place)	Background lobbying done within country as is testing of waters with continental association and lead FIFA role players	- National Football Association - National government - Continental Football Association - Corporate backers (including interests such as construction companies)	Need to initiate compacts with key bid stakeholders around social and impact commitments as well as bidding principles (transparency, external review, displacement effects, etc.)	Formal statements of intent by decision-making stakeholders
3. Cities lobby to be part of bid	City alliances formed (within cities) between political, administrative and business stakeholders to commit to making widely supported bid Imperative for cities to stand out through making bold commitments on paper and in reality (see 5. Demonstration events). Key decision influencers (national and international) are hosted	- Municipal political leaders and administration - Key business leaders - Local football structures	There is a necessity to combine with other local social partners to mobilize for inclusive approach and democratic processes	Public announcements by cities Council resolutions Setting up of city-bid teams
4. Feasibility study (national and city level versions)	National task team established to initiate study, often funded by joint government and private commitment. Municipally-driven feasibility undertaken.	- National task team (National football association, national government, business leaders) - Consultants - Municipal leadership	Scope of terms of reference is important: Do they include marginal groups? Is it going to be subject to independent review? (Note: It is often this document that is used to convince key decision making bodies that a bid is in the best interests of a country or city.)	Often not public

Phase	Nature of activity	Who is involved	Issues to keep an eye on (with specific reference to working poor in urban areas)	Indicator sources
5. Demonstration events	Bidding for and/or hosting events staged to demonstrate national capacity and influence stakeholders (e.g. hosting continental events).	<ul style="list-style-type: none"> - National sports associations - Prospective bid cities 	These might be less pressured events but are used to raise the profile of bidders and to demonstrate their abilities. As such it is important that these be targeted for engagement as they set a precedent for how events might be handled in future.	Partnerships between host cities and national associations – track public record of decision-making
6. Bid drafting, bidding and awarding	National task team appoints specialist team to draft bid, including specialist international advisors. This is then used to lobby support nationally and to secure (initial) bottom line financial commitments from national government and cities. Final bid presented to FIFA congress delegates for voting.	<ul style="list-style-type: none"> - National bid task team - National government cabinet - Host city municipal leaders - Specialist consultants and advisors - Continental and FIFA decision makers - FIFA corporate backers 	This process tends to reflect the promises that bidders plan to make and their view of what criteria they must meet. It is the bids that form the negotiating basis when a bid is awarded and, as such, these are critical for public engagement and scrutiny. However the bid development process is rarely open to serious engagement.	<p>Establishment of bid development team by national sports association in conjunction with partners</p> <p>Adoption of bid document by national sporting association</p>
7. Contracting	After country award is made, FIFA and national bid committees work towards the signing of a Host Country Agreement along with Host City Agreements that specify in detail (on the basis of further investigation) commitments that will be made when hosting the event (including funding levels, allocation of responsibility, resource alignment, revenue sharing, etc.).	<ul style="list-style-type: none"> - FIFA executive - Local Organizing Committee (LOC) - National government - City municipal structures - National football association 	This process tends to require a moving from broader principles in the bid document to specific commitments. This process is generally between mandated representatives and rarely involves consultation outside direct partners. It is here that the source of potential critical impacts can be identified.	Only becomes available once signed (and in the case of the 2010 World Cup, some years after agreements were signed)
8. Core facilities plan development (including legacy commitments)	Detailed planning and resourcing of specific deliverables is committed to in Host Country and Host city Agreements, and reflected in specific (e.g. stadium funds) and more generalized (e.g. transport improvements) allocations in national and local budgets. Much of this done in special units of government set up for the event.	<ul style="list-style-type: none"> - National LOC - National government (especially treasury) - Host City LOCs - Municipal leadership - Consultants - International special advisors - Lobby groups 	Host cities will, on the basis of the bids and the agreements, set out more detailed plans for delivery. This should involve consultation with stakeholders and compacts agreed on how matters of negative impacts will be handled.	<p>Tends to be through a host city team supported by consultants</p> <p>TORs might be published for tenders but full plan details often only available in fragments and often without specifics</p>

Phase	Nature of activity	Who is involved	Issues to keep an eye on (with specific reference to working poor in urban areas)	Indicator sources
9. Infrastructure, facilities and services investment and institutional development phase	Contracting of infrastructure works and stadium development/ upgrading, also covering transportation systems, airports etc., occurs. Event-related by-laws are passed. Special units are established.	<ul style="list-style-type: none"> - FIFA - National LOC - National government (especially treasury) - Host City LOCs - Municipal leadership (and special units) - Consultants - International special advisors - Corporate service providers - Lobby groups 	This process sets up the institutional relationships and plans that drive delivery and should be subject to external review and transparency requirements.	Core partners agree on team and announce publicly
10. Branding, marketing and identity building	Specific brands as well as an event identity is developed with similar processes for the country and host cities, in association with the event organizers. This informs the nature of commitments made by governments and cities (setting a standard they feel they must live up to).	<ul style="list-style-type: none"> - FIFA - National LOC - National government (especially treasury) - Host City LOCs - Municipal leadership (special units established) 	There is scope to try and get the event positioned in such a way that it must meet social goals in a direct manner and avoid negative impacts.	Announcement at conclusion of identity development phase
11. Pre-event preparation (including additional city-upgrade investments)	National LOC and partners move into intensive phase of pre-event preparation with regular progress assessments and evaluations. Local LOCs significantly enhance teams working on preparation covering all aspects of projects (security, information services, etc.). There is an alignment of related services (e.g. health, courts and emergency services). Last minutes additional commitments are contracted. FIFA corporate backers of the event brand locations.	<ul style="list-style-type: none"> - National and local LOCs - FIFA event team - Contractors - Municipal government (special units and teams in place) - National and provincial governments - Transport providers - FIFA corporate backers 	It is in this lead up time that often decisions are rushed through which have negative impacts where cities feel they are under pressure to do exceptional things to avoid potential risks to the event. Stakeholders must be mobilized and prepared for engagement.	Can be unplanned and unannounced
12. Duration of the event	Venue precincts handed over to FIFA management. Special municipal teams set up zones and corridors for management under event special conditions. Emergency decision making powers to city managers, security chiefs, etc.	<ul style="list-style-type: none"> - FIFA executive and event director - National LOC and host city LOCs - Special municipal units 	It is likely that during the event, activities take place which could have adverse effects and structures should be in place to secure decision-making input.	Executive decisions made

Phase	Nature of activity	Who is involved	Issues to keep an eye on (with specific reference to working poor in urban areas)	Indicator sources
13. Post-event clean-up	Municipal governments work to restore precincts and facilities to standard use where need determines.	- Municipal governments	Rarely is there discussion on what happens once the event has passed to urban spaces that have been managed in specific ways for the event. This is important in terms of issues such as public space trading.	Specific investigations need to be made Often no clear plan in place immediately
14. Post-event evaluation	Formal impact evaluations are commissioned by national government teams. Non-state actors give their impressions of impact vis a vis plans and commitments.	- National government - Municipal government	This process must include a wide range of stakeholders and be based on terms of reference covering concerns of working poor in urban areas.	Often not a public process until findings released
15. Securing the legacy	Host decisions about what to do with specific infrastructure, institutional capability, by-laws, etc.	- Municipal governments - Local lobby groups	Specific negotiations would need to be entered into around working poor access and role in cities after the passing of events.	Often captured in post event city plans (although not always explicit)
16. Eying the next event	Local stakeholders ask "What is next on the agenda?"	- Municipal governments - Local lobby groups	There is a need for stakeholders to keep an eye out and to share information to prepare for engagement on next process. A review of event strategies could be called for.	Press releases and public statements

(This table was drawn up with specific reference to FIFA World Cup. Olympics and Commonwealth Games operate through a different process as there is a single hosting venue; however, many of the same processes are also features of these events.)

Reflecting on Efforts to Secure More Inclusive Outcomes in South Africa

A number of South African organizations that work with the urban poor have done post-event assessments of the work around the FIFA World Cup 2010 (StreetNet, Abahlali B'aseMjondolo, COSATU). Of these that of StreetNet has been made available in the public domain. Probably the most significant initiative was that related to the World Class Cities For All campaign:

The World Class Cities Campaign was launched in 2007 by StreetNet International and other organizations of urban poor, including shanty town dwellers, migrant and refugee communities and sex workers, prior to the World Cup in South Africa. Its aim is to expose policies of forcible removals or evictions carried out in order to beautify cities prior to sports mega-events and to help create greater global awareness about the need to rethink urban planning and services so as to actively support the needs and interests of informal economy workers.

“StreetNet Campaigns,” blog at <http://streetnet-campaigns.blogspot.com/2011/08/can-there-be-peoples-world-cup-in.html>

In the South African context, the World Class Cities for All campaign involved considerable grassroots work with organizations working with street traders and other informal economy workers in the various cities. This was aimed at trying to open up lines of negotiation with municipal councils and local structures planning the events. In parallel efforts were made at the national level to work with other partners such as COSATU (trade union federation) and to make a case for a set of commitments with national structures such as Nedlac. The impact of the interactions was uneven. At the national level, issues of political contestation in the ruling party (the African National Congress) and the growing concern around the global recession tended to cause the issues raised in the campaign to be marginalized. At the city level, there was a mixed reception ranging from a willingness to dialogue in some cases to an outright rejection of meeting in others. Efforts were also made to publicize the concerns of street traders and others which included press reports in the written and electronic media.

Overall the assessment of the impact of these initiatives by the relevant organizations was that they had less than the desired impact. According to StreetNet, “In South Africa, the level of organization of street vendors was quite disparate and it was not possible to create any national forum or advocacy body. There are many lessons to be learned for Brazil.”¹² Even where commitments of more inclusive action were secured – such as those secured through interactions with FIFA’s Head of Corporate Social Responsibility, Federico Addiechi, by world-renowned anti-poverty advocates Ela Bhatt and Mary Robinson – these were largely ignored in the actual event planning and prosecution.

Other more localized struggles took place in the lead up to the event and during the event. In some instances these secured wider support and prevented unilateral action by municipal entities – such as in the case of the attempt to demolish the historic Early Morning Market in Durban’s Warwick Avenue area. The municipality had struck a deal with a property developer, as part of a highway upgrade in the area, to allow the site to be turned into a shopping mall. A variety of interested groups mobilized to get legal backing to prevent the action. In the residential areas in close proximity to the Soccer City stadium near Soweto (Johannesburg), an informal agreement was also reached with local stakeholders not to enforce some of the proposed control on informal establishments that regularly benefit from trade associated with sports events in the area.

However, the overall pattern was one where the manner of planning, organization and running of the event resulted in the exclusion of the interests of those working informally in the cities. In reflecting on this experi-

¹² Brazil will host the FIFA World Cup in 2014.

ence, it was suggested by a range of respondents – and supported by StreetNet’s own assessment¹³ – that in future the following needed attention:

- **Planning and initiating well in advance** – This needs to be done before all the major commitments are set in stone;
- **Building a broad alliance of interested groups to campaign around common issues (such as housing rights)** – This can strengthen the voice of those seeking more inclusive outcomes and help compensate for organization shortcomings in some sectors;
- **Securing a multi-disciplinary team to identify and act around particular risk areas and to propose, in advance, alternatives that can improve outcomes** – This would include areas such as legal, town planning, transportation, event management, urban design, and even perhaps retail and tourism.

Issues to Raise with Decision Makers and Other Social Actors

In future engagements around events such as a FIFA World Cup, it is important that social actors look at strategies to engage with a range of different institutions and to consider particular matters to focus on. The material below provides some suggestions of issues that could be explored with different stakeholders.

Other Social Actors

Major events are likely to galvanize the interests of a wide range of social groupings at a local and even national level. These groups will not always share the same priorities but should have some overlapping concerns (even if it is just around inclusion and transparency). It is necessary to seek engagement with these groups in advance to develop common platforms, look at strategic coordination and to share information and resources. Through such partnerships, groups can also seek to negotiate a set of benefits with decision makers. There could be an imperative to open up channels of engagement with the groups as they might have other forms of access to decision makers. The possibility of setting up a broader front to engage with decision makers is important.

Groups could include:

- trade unions
- housing and land groups
- environmental lobby
- local neighbourhood groups
- NGOs working with the vulnerable (the homeless, street children, those without legal status, victims of human trafficking, those affected by xenophobia, etc.)
- other formations such as religious bodies
- international partners

Issues to raise might include:

- **Conducting independent impact studies** – It is vital that a range of interested groups examine potential and actual impacts from their perspective whether it be around human trafficking, environmental impacts or rights issues of those working in public spaces. It is essential that an evidence base be developed for interaction with authorities.

¹³ And also by Wintour (2011).

- **Collaborative programme development** – Joint planning in advance, of the type envisaged in the WCCA campaign, can help different groups with some common concerns to help increase the voice of those seeking an improved outcome for the urban poor from such events.
- **Active information sharing** – Building information and knowledge sharing platforms will help spread the word around issues of concern, empowering others to act.
- **United front activities** – Joint activities can help send a much stronger message to the relevant authorities and mobilize greater public support. These could include protests, awareness building and also matters such as legal action.

Decision Makers

These include state and official bodies as well as FIFA or other relevant international associations.

Obviously the core decision makers in such a process are key. Sports bodies have their own constituencies and might look to the local state for input from other interests groups on what they are planning. Therefore it is imperative to engage local and national state levels on their plans and processes. Issues to be raised could include:

- bid content and impacts – pre-bid independent social, economic and environmental risk assessments
- governance arrangements (local, national and international) – underpinning the process and the event, including accountability systems, transparency and core principals (around negotiating impact) (i.e. Where do the working poor and their interests get represented?)
- impact targets and priorities – widening the scope of what is being considered
- securing a direct line of benefits for the working poor and those at risk in urban spaces – both within FIFA processes (commercial) and nationally and locally in terms of investment and plans (waste pickers, vendors, skills sharing, etc.)
- offsetting displacement and negative impacts on vulnerable people – present and future generations
- loss of attention of public administrators – plans to deal with this and its effects
- physical displacement – protocols, compensation
- strategy orientation – in terms of how the event and its processes could be leveraged and for whom
- long term impacts and strategic implications
- commitment to rebalance the city after the event – a recognized shift back to pro-poor focus or share of revenue to direct poor in post event processes; also relevant in terms of avoiding special provisions becoming the norm (e.g. by-laws)
- emergency decision-making protocols
- post-event taking stock – involving broad interests and setting protocols for future events

The Private Sector

Major events are often presented as an important element of support to economic growth and therefore of the private sector interests. Private sector role players (generally global ones) are often partners to such events. At the local level it should be recognized that there are often concerns of re-allocated expenditures and priorities that also concern private sector role players. These commercial benefits of public spending on events often gets captured by a narrow set of interests. Globally, event partners at a commercial level can be very sensitive to brand protection issues. These have impacts in terms of issues around merchandising and commercial exclusivity that must be explored. However, there is some scope to encourage global brands to place pressure on event decision makers to ensure the event meets a wider set of social goals, avoiding negative impacts on their brands. These brand considerations should be over and above anything corporations might want to do towards making a direct and positive impact, such as recognizing informal channels in product distribution and sales and giving legitimacy to these where they already exist.

Capacity and Resource Issues for Effective Engagement

Organizations with an interest in working with and for the working poor will face major challenges in generating more inclusive urban decision making around major events as these processes are often backed by powerful bodies with considerable resources available to them. For this reason, collaborative efforts are so important at the local, national and international level. Many of the major impact decisions are made well in advance of events, and it can be difficult to mobilize actors when decisions are only on paper. Yet once the impacts become apparent, it can often be too late to change the course of activities. Organizations must find mechanisms to draw in resources and expertise from a wide range of institutions in order to offer meaningful input as early as possible into decision-making processes and effectively counteract problematic decisions where necessary.

Core capacity should include strengths in legal matters, impact evaluations, institutional and process structuring and the actual process of mobilizing constituencies on the streets. Applications to entities that could fund technical and organizational work need to be done as early as possible. In this regard, there is value in interacting with influential donor partners well in advance about the ongoing needs of various social actors in such processes. There is also an imperative to publicize issues and to work with the media to raise public consciousness and alert other social groups to processes leading up to an event.

Conclusion and a Way Forward

Major global events are likely to be a growing part of city life in much of the world in the foreseeable future. The shift of global economic momentum to a number of emerging economy regions will accelerate the hosting of such events in these non-traditional environments. It is also noted by many observers that the numbers of such events and their impact on the cities is growing year by year. The 2010 FIFA World Cup in South Africa provided a useful case to begin to understand the interplay of power and investment in the urban sphere and the impacts these forces might generate around major events. The picture is not necessarily all bad for groups such as the working poor in the city; however, the net effect is likely to be one that has some major disruptive impacts and tends to further entrench their isolation from decision making that directly affects their lives. It can be very difficult to mobilize around each and every event process in a city. Therefore, it is imperative that social groups work together to negotiate a social compact that informs how such events and their related processes are handled.

The **key lessons** emerging from the South African experience are:

- The tendency for such events is for them to be planned, organized and executed in an exclusionary manner, as the core partners are not inclined to open up spaces of dialogue and negotiation.
- Those working for and with excluded groups must plan well in advance, since major event decisions are made somewhere between a four- to eight-year cycle (and in some cases, a longer cycle). Early planning and action is critical in relation to making attempts to seek more socially appropriate outcomes.
- Working across a broad range of interests is necessary to secure a greater voice and greater impact, not only among the urban working poor, but also among groups such as trade unions, those living in informal settlements or those with concerns around municipal financial stability or environmental impact.
- International solidarity and action are particularly important as decision-making bodies of global organizations must be persuaded to ensure that they do not impose host country conditions that are detrimental to the urban poor.

Acronyms

ABM	Abahlali baseMjondolo
AG	Auditor General
COSATU	Congress of South African Trades Unions
FIFA	Fédération Internationale de Football Association
ICC	International Cricket Council
LOC	Local Organizing Committee (of the 2010 FIFA World Cup)
NEDLAC	National Economic Development and Labour Council
SA	South Africa (n)
SAFA	South African Football Association
SAMWU	South African Municipal Workers Union
TCC	Technical Coordinating Committee (of the Inter-Ministerial Committee)
USD	United States Dollar (\$)
WCCA	World Class Cities For All (campaign)
WIEGO	Women in Informal Employment: Globalizing and Organizing

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The following web sites and links are of potential use to those seeking further information:

Organizations:

www.wiego.org

www.streetnet.org.za

<http://www.sa2010.gov.za/organization/local-organizing-committee>

<http://www.fifa.com/>

Materials:

For a free download of the HSRC Press Book, *Development and Dreams*, go to <http://www.hsrcpress.ac.za/product.php?productid=2259&cat=1&page=1>

Website SouthAfricaInfo: <http://www.southafrica.info/2010/>

Official government report produced before the 2010 event setting out major commitments: http://www.gcis.gov.za/resource_centre/multimedia/posters_and_brochures/brochures/sa2010_govprep.pdf

FIFA 2010 World Cup "Special Measures Act" passed by South African Parliament in 2006: http://www.saps.gov.za/2010_worldcup/a11-06.pdf

A preliminary evaluation of 2010 World Cup by Eddie Cottle: <http://www.sah.ch/data/D23807E0/ImpactassessmentFinalSeptember2010EddieCottle.pdf>

About Inclusive Cities: The Inclusive Cities project aims to strengthen membership-based organizations (MBOs) of the working poor in the areas of organizing, policy analysis and advocacy, in order to ensure that urban informal workers have the tools necessary to make themselves heard within urban planning processes. Inclusive Cities is a collaboration between MBOs of the working poor, international alliances of MBOs and those supporting the work of MBOs. For more information visit: www.inclusivecities.org.

About WIEGO: Women in Informal Employment: Globalizing and Organizing is a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. WIEGO builds alliances with, and draws its membership from, three constituencies: membership-based organizations of informal workers, researchers and statisticians working on the informal economy, and professionals from development agencies interested in the informal economy. WIEGO pursues its objectives by helping to build and strengthen networks of informal worker organizations; undertaking policy analysis, statistical research and data analysis on the informal economy; providing policy advice and convening policy dialogues on the informal economy; and documenting and disseminating good practice in support of the informal workforce. For more information visit: www.wiego.org.



Women in Informal Employment
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