

The sustainability of major events: issues for public policy

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The sustainability of major events: issues for public policy

In a wide range of countries, governments have developed policies and implemented programs that focus on the role of sport and leisure to deliver a range of benefits to communities (Coalter, 2007). While there is a myriad of reasons for these actions, a key justification is the perception that communities are facing increasing pressures from global economic, social and cultural changes. If communities are unable to adapt to and/or cope with such pressures, it has been suggested that some may suffer economic malaise and the erosion of traditional community life (Atherley, 2006). Sport and cultural events are often perceived as one strategy for communities to cope with the negative impacts of globalisation because of the potential to leverage positive outcomes from the hosting of such events (Bob & Swart, 2009; Chalip, 2006; Dwyer, Forsyth & Spurr, 2006).

The role of events in communities

Broadly speaking, events are a key aspect of the cultural context of contemporary urban lifestyles and as such contribute to the general liveability and attractiveness of urban and regional spaces. However, for many communities, events have assumed a much more utilitarian role and are seen as one of the central elements in their positioning and branding strategies. For example Melbourne in Australia proudly pronounces itself as the 'sporting capital of the world'. Because of the emphasis that many cities place on events, they increasingly compete internationally for the rights to host events. This is an inherently expensive undertaking that requires ongoing public investment not only for the bid process but also in the development of the necessary infrastructure to be competitive in the international event industry, the conduct of the event, as well as in the continual renewal of infrastructure in order to remain competitive (Downward, Dawson & Dejonghe 2009; Bennett, 2006). Downward et al. used the expression 'globalisation' to describe the process of local communities competing on global markets for sources of tourism and related revenue streams.

Government subsidies for event bids, management and associated infrastructure are generally based on the assumption that hosting events generates net economic and social externalities (often termed 'legacies') to the host community. Furthermore, it is also frequently assumed that legacies are self evident, generally positive and will automatically flow down to the community (Shipway, 2007). However, there is no clear definition of the term 'legacy' (Preuss, 2007) which is a somewhat elusive concept

(Cashman, 2006). A further issue is that the legacy debate has traditionally tended to focus on economic rather than social or environmental factors.

Sustainability and Events

It is generally accepted that governments, companies and communities worldwide are facing a raft of economic, social and environmental risks and that to adequately deal with such risks means that 'business-as-usual' is not an option (McIntosh, 2009). McIntosh further argued that shareholder, societal, stakeholder and ecological needs/interests must all be considered in order to establish sustainable communities and subsequently, there is a need to develop new approaches to:

- lifestyles;
- land use;
- development; and,
- industry/business.

However, the processes involved in creating sustainable societies and environments are complex and cut across traditionally 'distinct' sectors such as (amongst others) energy production, materials, transport, tourism, land management, construction and built environments (McIntosh, 2009). In general terms the move towards sustainability can be summarized as balanced concerns about three key areas, all of which have significant implications for event planning and management:

- Planet;
- People; and,
- Profit

Planet

Of the links between the three 'Ps' and event planning and management, the environmental area is probably the least well articulated or researched. For example, O'Brien and Chalip (2007) suggested that while knowledge about environmental impacts of events is growing, research on leveraging events for environmental benefits is non-existent. Furthermore, Gossling, Hall & Weaver (2009) argued that the tourism sector response to sustainability was fragmented with generally poor implementation. The overall approach of the industry could be characterized as a paradigm 'nudge' rather than a paradigm shift suggesting that the tourism sector has implemented 'greenwash' or 'vener environmentalism/veneer sustainability' strategies and actions (Weaver, 2007; 2009).

A key issue here is that while most of the research indicates there is a high level of support for environmental issues by both the public as well as the business sector, there is substantially less actual behavioural change.

Consequently, there is little push by consumers for businesses to change and to date only limited legislative and/or regulatory pressure, especially in the tourism and sport sectors, for widespread changes in business practices.

People

As indicated above, bids for large events typically highlight an array of potential social legacies for host community (e.g., increased sport participation, community identity and cohesion - sometimes characterised as 'feel good' or 'psychic income' - and social capital development) and these have received a reasonable level of attention in the literature. However, according to Toohy (2008), the commitment to delivering such legacies frequently loses momentum once the event has concluded. For example, Mackay (2001, p. 7) reflecting on the anticipated benefits of the Sydney Olympics asked, 'Six months on, though, I'm struggling even to recall what the changes were supposed to be. But why search for more than you're ever likely to find? We have acquired some pleasant memories. Shouldn't we leave it at that?'

Furthermore, Nicholson and Hoye (2008) argued that the relationship between sport and social capital could be equally either positive or negative and a recent Federal government report in Australia found there was a lack of evidence supporting the assumption that high profile sporting events influence sports participation (Commonwealth of Australia, 2009).

However, despite vagueness about the extent to which social outcomes are actually realised a meta-analysis conducted by Solberg (2006) indicated that:

- a majority of people welcome hosting events;
- the level of support increased as the event grew nearer and was higher after the event than when it was first proposed;
- a substantial proportion of people were willing for events to be funded through public resources; and,
- event benefits tended to outweigh the costs.

The question then arises as to why this might be the case? How does the public reach its conclusions about benefits arising from sport events when the literature clearly indicates that actually realising event benefits is problematic at best? Auld, Lloyd and Rieck (in press) argued that the public typically sources its information about events from the mass media which often reflects the information supplied by event organizers, relevant government agencies, and prominent decision makers who tend to be positive about event legacies.

Profit

This area has received the most attention in the event impact/legacy literature, which generally suggests that the anticipated economic outcomes are frequently not realized or are well below expectations (Austrian & Rosentraub, 2002). Furthermore, Gratton Shibli & Coleman (2005) argued that the quantity and distribution of returns on public sector investment in sport events uncertain and there is no clear evidence that the use of public funds results in sizeable benefits. Taking this view further, Downward et al. (2009) characterised the data on the economic impacts of events as 'gloomy'.

Downward et al. (2009) summarized the main studies that have examined economic impacts into two main types:

- *Ex ante* - these are often misleading with considerable variance in results due to differences in the nature and quality of the data used, the assumptions underpinning the study and who conducted the study. Those studies more closely aligned with groups with strong interests in events and therefore incentives to win bids, tended to be the most positive about economic returns.
- *Ex post* - these studies, usually undertaken by neutral researchers, tended to be more reliable, consistent and conservative.

Downward and his colleagues concluded that at best hosting events adds nothing statistically to employment or value of the economy.

Summary

Overall it can be concluded that the claims of significant economic benefits resulting from events are often discredited, the evidence about non-economic benefits is often anecdotal and, in the case of environmental legacies, our knowledge remains at an early stage of development. In particular the literature suggests that: benefits such as increased community exposure, enhanced community image and urban rejuvenation have been questioned; the potential of sport event role models to inspire community health benefits through increased sport participation are uncertain; social and psychological impacts can exceed economic impacts and may also be more valued by the community; and, there is little knowledge/emphasis on environmental issues related to event management.

Policy and Management Issues

It appears then that decisions about bidding for major events are essentially political and are often not part of a rational planning

process (Fort, 2006). Moreover, such decisions frequently have little or no community input and are based on unfounded assumptions. However, events (and sport events in particular) due to their symbolic and ritualistic role in communities are typically very difficult for policy makers to argue against. Events often create an emotional hold on the public with concomitant high expectations about potential psychic income benefits. It is also the case that many events have a perceived high non-use value and subsequently are seen as positive even by those who do not attend or have little interest in the event. Therefore, those who oppose events are often maligned as being anti-city or anti-nation and against progress and development.

Moreover, event benefits where realised, tend to be concentrated amongst those key groups with political influence/power whereas the costs or negative externalities are dispersed across the majority of less influential taxpayers (Fort, 2006). In terms of sustainability this is an especially problematic issue in the case of developing countries bidding for events and Gossling et al. (2009) for example, questioned if the leisure of the wealthy is leading to the starvation of the poor?

Thus to oppose events is to challenge the normative growth paradigm but how do communities, even in the light of minimal evidence of positive and long lasting event legacies, do so? Constraints on change may result from both hard (regulations, costs) and soft barriers (culture, knowledge, politics and risk perception) (Dodds & Butler, 2009). Unfortunately, the data available to facilitate informed policy and management decisions about events tends to be inadequate and the situation is further complicated by the political cycle which results in a short term focus.

A further policy/management issue is the 'foreign' nature of much sport/event/tourism related investment with resultant high levels of leakage. This means that such investment often lacks the necessary linkages to local economic structures required for local economic growth and thus long term sustainability becomes problematic unless adjustments are made to better capture event related expenditures (O'Brien, 2007). Furthermore, if event delivery systems are also tied to unsustainable external supply chains then long term sustainability is difficult even if local supply structures adopt more appropriate practices (Gossling et al, 2009). This is not an uncommon issue as different economic sectors and elements in a

supply chain may progress at different speeds along the sustainability continuum.

"at best, hosting events adds nothing statistically to employment or value of the economy"

A further policy consideration is the suggestion to shift to new paradigm in event impact/legacy planning and management that reflects a more strategic approach concentrating on leveraging of long term benefits rather than focusing on short term outcomes (Chalip, 2006). Thus event planners should move beyond the 'build it and they will come' approach that has largely characterised public policy to date. To further facilitate a more strategic approach, event planning and delivery should be integrated across a broader range of industry sectors and also incorporate a regional event 'portfolio' approach to events (O'Brien, 2007).

At the operational level, event managers should concentrate more on community engagement and not forget the importance of the sense of celebration and fun that should be an inherent element of events. This can also be facilitated through augmentations that revolve around opportunities for visitors to engage in learning and social activities associated with the event and their personal interests (O'Brien & Chalip, 2007). To further encourage long term sustainability these can also be linked to opportunities to engage/align with local event related subcultures and social and environmental issues (O'Brien & Chalip, 2007).

Conclusion

As argued by McIntosh (2009), the development of sustainable practices means that incremental change will not be enough. Deep change is needed in terms of the: goals and practice of business enterprise; ways we relate to natural systems; and, ways we relate to each other, use time and build communities.

The event industry should not be immune to such challenges and indeed, should embrace the opportunity to better reflect emerging community attitudes and values.

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