Assessing the Impact of Mega-Events: A Linkage Model

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Mega-events are usually assessed in terms of the economic impact of the event itself with little attention given to the event as part of a broader process that can be investigated longitudinally. An adapted political economy model is proposed (because the mega-event is seen as essentially an economic initiative) that distinguishes three kinds of linkages. Forward linkages refer to the effects caused by the event itself. Backward linkages refer to the powerful background objectives which justify or rationalise the event. Parallel linkages are side-effects which are residual to the event itself and not directly under the control of event organisers. This longitudinal approach also distinguishes between pre-event, event and post-event impacts so that unintended and unanticipated consequences can be identified. The model is applied to the issue of displacement as a parallel linkage and to other issues of housing and impacts on neighboring communities to the mega-event site. It is concluded that impact assessment ought to be part of every mega-event plan, and that impact equity and a mitigation plan to control adverse affects ought to be in place.

Mega-events are by definition short-term events of fixed duration. The high-profile nature of the event generates the analysis of consequences in terms of cause–effect relationships such as increases in tourism, urban infrastructural improvements, or the more intangible benefits of civic pride, boosterism, and international image building (Persson, Anderson & Sahlberg, 1998). The mega-event is too quickly seen as a special case or exception, or even as a diversion from normal processes in which the cause–effect relationship begins with the event and its immediate impacts and ends with clearly identified outcomes, often referred to as legacies. As an intrusive activity, but legitimated by economic forecasts that enhance their desirability, mega-event impacts are seldom submitted to more comprehensive analysis.

In their haste to justify public expenditures, governments and organisers marshal evidence of economic and other benefits – many of which it turns out are incalculable, or, if calculable are best considered as estimates only (Mules & McDonald, 1994; Crompton & McKay, 1994: 33). Just as a pebble hits the water, so the ripple effects are considered to be wide-ranging and definite and presumably always favourable. If debates occur, they are thought to focus on the extent of the benefits (e.g. how many person-years of employment were created?). Because of the enormity of the preparation and operational efforts required for the mega-event, imposing claims regarding economic impacts such as job creation or contribution to the GDP are typical. Indeed, in many cases, the contribution to economic growth becomes the dominant rationale for hosting the event. The economic justification is so compelling to key elites that other impacts are considered minor. Negative impacts are either ignored
or hidden under the table (Hall & Hodges, 1996). Opponents are considered either unpatriotic, naysayers, or prisoners of unacceptable ideologies.

The measurement of the economic impact of mega-events through multipliers and spin-offs (Lynch & Jensen, 1984) stresses a cause–effect approach in which the mega-event is the actor whose actions are always on balance to be lauded as a revenue generator and economic stimulant. Furthermore, the timelines of mega-events require immediate action rather than mere debate and reflection, their unique one-time nature inspires vision and innovation rather than bureaucratic routine, and the global focus of the event appeals to the grand and glorious rather than the dullness and intransigence of local problems. It is these characteristics of mega-events which frequently blind both advocates and at least some members of the public-at-large from a more balanced analysis. Even critics get caught up in manoeuvring based on partisan politics (remember the adoption of the mega-event project is usually a political decision by a government in power), ideology (corporate sponsors and their interests vs. unsuspecting consumers and residents), or action priorities (mega-event concerns vs. more important local issues).

The uni-dimensional nature of economic arguments have been increasingly challenged by observations that economic benefits accrue selectively to members of a community. Furthermore, mega-events require the mobilisation of resources that are themselves a reflection of political decisions and priorities over which many may not agree. In addition, it has become clear that the scale and complexity of mega-events are such that the event can no longer be understood only in terms of the event itself. However, having acknowledged this broader impact, it is lamentable that research and analysis on most mega-events is piecemeal and fragmentary. Comprehensive analyses of impacts are infrequent as organisers are dispersed after the event and governments move on to other initiatives. As Roche (1992: 562) notes, pre-event projections are seldom tested against post-event accounting. In short, there is a deep need for a more careful analysis of the impact of mega-events, and to distinguish the different types of impacts more systematically.

**A Linkages Analytical Model**

The goal of this paper is to provide a framework for a more comprehensive analysis of mega-event impacts. It adapts the concept of linkages borrowed from the political economy literature (Watkins, 1989) and views mega-events not as isolated unique occurrences but as part of a chain of relationships which is expressed through backward and forward linkages. A third relationship is proposed as parallel linkages. By taking this approach, simple cause–effect analyses are broadened to include a wide range of impacts which are given a more contextual and longitudinal perspective.

An adapted political economy perspective is relevant here because mega-events are conceived as essentially economic initiatives. The event is clearly more than that but the decision to host the event is legitimated in economic terms and the event itself has economic impacts. Mega-events are almost always either promoted by the business elite or their support is
carefully mobilised. Political actors become part of the elite coalition in view of the fact that public funds, and/or state involvement are inevitably required. The decision to host the event is therefore a joint decision of community elites of which elected officials and the government in power are a part, but seldom is the decision to host the event the result of grass-roots democratic decision-making. The mega-event then becomes an aspect of government policy which may heighten its controversial nature. But as an act with economic motivations and consequences, there will also be socio-economic implications.

So mega-events here are considered economic activities which are themselves caused by or related to prior activities of both an economic and non-economic nature. There is no question that Expositions, for example, were established to celebrate technological achievement and economic growth (Servant & Takeda, 1996). And it is widely acknowledged that the Olympics is no longer just a sporting event but is closely related to economic objectives not only for host countries but for the corporate sponsors (Hill, 1992). Thus the event does not stand alone and the context preceding the actual event is very important. In addition to the immediate impact of the event, there is also the long-term impact of the event which can hardly be captured in the final event report released shortly after its conclusion. And given the fact that the mega-event organisation is responsible for the success of the event itself over which it has control, there may be impacts which it either considers outside of its control or which are residual non-event impacts which it may either choose to celebrate, deny, suppress, or ignore.

The concept of forward linkage is based on the presupposition that the event is itself the cause of effects. For example, the event may have increased tourist visits and enhanced the tourism infrastructure. It may have created short-term or permanent employment or improved public transport such as roads or rapid transit. From this perspective, the event has a direct effect on the host society in some way. Its impacts are clearly intended and recognised and make a clearly recognisable difference. These kinds of forward linkages are almost always viewed as positive. Not all forward linkage impacts are clearly provable or direct but the hard evidence of legacy, such as infrastructural improvements, are difficult to deny. Even when the mega-event is not considered financially successful, such as the New Orleans 1984 World’s Fair, it is the infrastructural contribution that is identified as positive and enduring (Dimanche, 1996). It should also be pointed out that in some cases, post-event usage has become problematic – especially for Expos where event structures have not always had useful long-term uses (e.g. the New York 1964 Worlds Fair).

Backward linkage refers to the context in which the idea for the mega-event occurs and the background objectives that stand behind the event. These backward linkages provide the rationale or the ideology to support the event and have a causal relationship to the event itself (Roche, 1992). They are factors which put the event on the agenda, and, once there remain more implicit and largely hidden or seldom overtly discussed. For example, politicians may support the event because they are looking for diversions from policy failures
or other difficulties (e.g. unemployment Shultis, Johnson & Twynam, 1996), or the event may itself symbolise a new policy initiative (e.g. societal reconstruction in South Africa in the aftermath of apartheid (Hiller, 1997)). Standing behind the event may be the interests of capital or business who see it enhancing their own prospects (Mount & Leroux, 1994; Hall, 1992) while others may see the event as an opportunity to transform the image of the host city/country on the global stage (Ritchie & Smith, 1991; Hall, 1997). All of these linkages may be indirect to the event itself, yet they are very powerful factors. In fact, hosting the event may make little sense without understanding these background factors as they help explain the decision to host the event and to rationalise the mobilisation of resources to ensure its success.

The third linkage can be called parallel linkage. Parallel linkages are side-effects of the mega-event which were not necessarily anticipated. They may be unexpected and may even be unrecognised unless brought into public focus. They may be a consequence of the event or related to it but they are residual to the event itself. Event organisers may even be reluctant to take responsibility for the linkage – especially if it is negative. If it is presumed to be positive, of course, responsibility (even if indirect) may be willingly claimed. For example, a store owner on neighbouring property may market a unique item or service that entices event customers who choose to spend their money outside the event property. On the one hand, event organisers are glad to see local merchants benefiting, but they also may lament lost sales inside the event site. Or, organisers may have chosen a particular site because it does not disturb existing residents, but they fail to anticipate that neighbouring residential communities become vulnerable to various forms of economic exploitation (e.g. conversions, higher rents, gentrification, loss of affordable housing etc.). In general, urban impacts, a largely neglected aspect of mega-event analysis, falls into this category of parallel linkages. These linkages are largely indirect to the event itself and not directly under the control of event organisers. Therefore they are seldom part of any official final report and their outcomes, if controversial, are largely minimised or ignored. A parallel linkage assessment may point out the ways in which the event contributed to structural transformations which alter the urban context in long-term, unanticipated ways.

These three types of linkage help to clarify the different impacts which mega-events may have. They are not neat compartments and may overlap, but they provide a useful heuristic device. Since forward linkages are almost always the first to be identified and represented in quantifiable terms, they tend to dominate. They also tend to be expressed in more positive terms and their impact is more publicly obvious. However, it is the backward linkages and parallel linkages that provide useful perspectives by which to analyse the event and which provide a more balanced and comprehensive perspective. Outcomes are not always simply positive or straight-forward and the impact of the event may be cross-cutting and much more complex. In fact, it may be that the consequences of the event are very mixed or that the outcome of the event may depend on one’s perspective rather than to be offered as singularly successful for all.
There is another dimension to this analysis that is implied which is longitudinal. The event is not just a point in time but is preceded by a social context which the event may alter or of which it may be a product. The pre-event period highlighted in backward linkages is important because it reveals how the event was both intrusive and transformative of a prior situation. The focus on pre-event analysis is on conditions before the event so that it becomes clearer what role the event played and with what effects. The second point in time is during the event itself so that short-term impacts can be isolated from long-term impacts. For example, job creation and immediate tourist revenues may be desirable immediate benefits but increased prices or traffic congestion may be perceived as negative though clearly short-term (Jeong & Faulkner, 1996). The third point in time is post-event where legacy is not only interpreted as permanent effects but the readjustments to normality or the adaptation to changed conditions caused by the event.

Both backward linkages and parallel linkages have flow-through effects to the post-event stage where they can be analysed and assessed. As noted earlier, the forward linkages are typically the impacts that are clearest and most likely to be accentuated given the objectives of the event. However, the mega-event is usually part of a broader strategy that also requires analysis post facto, and the unintended, unanticipated, and perhaps even publicly unrecognised consequences are just as important because they help us to understand all aspects of the event and can more generically shed light on the dynamics of support and opposition to these events. Organisers, promoters, and boosters often assume that the event is a self-evident good, that negative impacts are either non-existent or minor, and perhaps even that opposition is to be dismissed in favour of making the dream a reality. By disaggregating the event into these three linkages, a clearer conceptualisation of the impacts becomes possible.

**Application of the Model: Housing and Displacement**

With this conceptual and theoretical background, it is possible to show how the linkages model might be applied. Particular emphasis will be given to parallel linkages.

In many ways, once a city has been chosen as the site for a mega-event, the event begins to take on a life of its own. The urgency and goal-orientation of the project within tight timelines may require that normal procedures be set aside. Concerns over construction deadlines and the external requirements of the mega-event sponsoring body, as well as the desire to maximise international impact means that event preparation and operation become an absolute priority. Furthermore, for the sake of a successful event, people are urged to pull together and to minimise criticism in the face of the need for cooperation. The mega-event organising entity which has been empowered to make the event happen typically uses a strategy of incorporation that enlists the support of the local community on the assumption that the event is desirable – even when it is clear that not everyone feels that way. The honour and advantages of the mega-event appear to be so obvious to supporters, and the case for the benefits of forward linkages so compelling, that parallel
linkages in particular are frequently marginalised or ignored. The issue of evictions and housing rights (Olds, 1998) represents such a parallel linkage. Because event advocates are so committed to the event, impacts on those who are vulnerable are often overlooked. On the other hand, event planners are not aware of negative impacts and considerable efforts may be made to minimise them. For example, direct displacement is often avoided by selecting property for the main site that is either abandoned or deteriorated urban industrial land. Being sensitive to evictions on huge tracts of residential land is clearly problematic so is often avoided. What is frequently forgotten, however, is that the site selection for the event has all kinds of residual effects due to land speculation on surrounding property (compare the 1987 America’s Cup in Perth (Cowie, 1989)). As Olds found in Vancouver, it was the anticipation of the need for tourist accommodation close to Expo 86 in the Downtown Eastside that led to the eviction of residents from lodging houses and small old hotels. The analytical framework proposed here, however, makes it clear that such an impact is a side-effect of Expo largely attributed to the event but not directly under its control. This fact does not make it any less real in its consequences but the result is similar to the adjacent effects produced by any new development. Or, to put it another way, even when the residual effects on neighbouring property is considered desirable (such as the upgrading of deteriorating structures), the secondary impact is given a positive spin while the problematic aspects are considered pre-existing problems beyond the scope of the event itself.

The situation pertaining to the Calgary Olympics adds a different dimension. The siting and construction of the Saddledome was related to the expansion interests of the Calgary Exhibition and Stampede in providing a year-round entertainment centre close to the downtown core as well as the need for a signature public structure for the professional hockey team (Calgary Exhibition and Stampede, Horizon 2000, 1991; Citizens Advisory Committee Report on Stampede/Victoria Park East, 1992). Both of these factors are important backward linkages that in many ways need to be separated from the mega-event. The fast-track construction of the Saddledome was linked to the Olympic bid but the pressures to provide such a facility in the location that was chosen was related to other factors. Furthermore, the tug of war that developed between the community of Victoria Park and the Stampede Board revealed an internal conflict between absentee landowners, local businesses, and renters. The fact that housing was already in an advanced state of deterioration (some would use the term uninhabitable) provided the public justification for redevelopment of the community. The only question that remained was the issue of affordable housing near the downtown core and this issue was more or less ignored. It would be difficult to say that the mega-event caused the displacement because it preceded the decision on the bid, and still continues. In fact, the recently failed Expo 2005 bid included plans for redevelopment of most of Victoria Park East, and now what remains of the community is on hold with deterioration continuing and population declining. The inadequacy of affordable housing in the downtown core nearby to services required by this population is perhaps the fundamental issue, and a
successful Expo bid would have finally finished the community. It is clear that whatever post-event usage would have taken place, the existing low-income population would have been displaced. But there is no question that inevitably it is occurring anyway, with or without the mega-event. In that sense, the mega-event cannot be seen in isolation from other factors occurring simultaneously and independent of it.

Another parallel linkage was the decision by select apartment owners at considerable distance from the main mega-event site to negotiate with renters by offering incentives to vacate their premises temporarily. Financial incentives to temporarily vacate is eviction of a different order from permanent eviction of low income tenants with no financial incentives and no place to go. The post-event implications are entirely different. The same could be said for a direct impact of the event when University students (temporary residents by definition) were temporarily removed from University housing in what became the Athlete’s Village while classes were suspended. Again, a longitudinal analysis shows very different consequences.

Housing Needs and Mega-Events: The Cape Town 2004 Olympic Bid

The issue of housing is an interesting parallel linkage that is worthy of further discussion as housing is usually a significant ingredient in mega-event planning. The event always requires considerable short-term housing for persons connected with the event whether they be exhibitors, foreign workers on assignment, athletes, administrators, officials, media or others (e.g. Servant & Takeda, 1996: 83–97). The question is whether these short-term needs can be best addressed by building new housing or whether existing housing can be utilised. Existing short-term housing is usually associated with hotels and if demand in this sector is strong enough, more hotels may be built. But in the case of Expositions that are usually of six-month’s duration, hotel rooms with no cooking facilities may be inadequate and too expensive. And in the case of the Olympics, the demand for a secure athlete’s village requires a compact housing complex. Housing the media for the Olympics has also become a significant concern as the number of media personnel sometimes exceeds the number of athletes. In most cases, the solution is to build new housing which avoids the issue of displacement. Such controversies are particularly avoided if the construction of the housing can be timed for completion just prior to the event so that no persons will be evicted from the premises.

The Toronto 1996 Olympic bid attempted to legitimate greater public support by promising that the mega-event housing required would be affordable or social housing for post-event usage (Kidd, 1992). While such a commitment in principle was never tested in actuality, the concept of using mega-event housing to assist the disadvantaged could be a unique contribution in a developing (or partially developed) country. The Cape Town, South Africa 2004 Olympic bid was designed to be developmental, a key backward linkage theme. In fact, every aspect of the plan was supposed to contribute to the ‘upliftment’ of those previously disadvantaged under apartheid (Hiller, 1998). This was an ambitious undertaking that included building training
venues in disadvantaged areas to be used as kick-start initiatives for community revitalisation, affirmative action policies for job training, contract awards to small businesses owned by persons from disadvantaged groups, and the reconfiguration of the transportation system to include disadvantaged areas. Some of these programmes needed to be done anyway and the anticipated mega-event provided the incentive to proceed with more vigour. In that sense, the mega-event became a central factor in government policy – perhaps even a demonstration project in some ways.

Housing, however, was perhaps most problematic. A forward linkage impact of the Olympics was to be the provision of housing in view of the existing crisis. Nationally there was a backlog of two–three million houses and the government set a goal of building one million houses by the end of 1999. Due to the in-migration from the Eastern Cape into the black townships of the Western Cape in which Cape Town is located, thousands of shackdwellers were inadequately housed (Smit, 1994) which revealed the existence of a large urban underclass most striking to Olympic-related visitors. Olympic-bid literature stressed how the Olympics would contribute to this housing need and yet as plans evolved, it became clear that such a contribution was questionable. The first problem was that the housing that needed to be built to IOC standards was not entry-level housing, and the costs for construction would be beyond what the poor could afford. Second, even if the housing was made available to the poorly housed, who of the thousands of people in need of housing would be given the opportunity to move there? In fact, the enormity of the housing problem in relation to the type of housing that would be built suggested that housing expectations would not be realised at all. The quantity of housing needed for the Olympics was nowhere near what was needed in the city and in that sense created unrealistic expectations. Surveys among residents pointed out that support for the Olympic bid was much stronger among poor urban blacks than among urban whites (Cape Times, May 29, 1996), suggesting that the poor were expecting housing benefits (and also jobs) from the mega-event that likely would not have materialised. Media housing (in contrast to housing for officials and athletes) scheduled for Culemborg was even more likely to have been built by the private sector for more upscale residential after-use.

The second issue that emerged (a parallel linkage) is what would happen to the residential communities surrounding the main Olympic site and Athlete’s Village at Wingfield (a former airbase). If the Olympic site included unique architectural features that would increase the desirability of the area for post-Olympic usage, then not only would the site itself likely attract residents who could afford the location and were willing to pay for it (leading organisers to propose the use of relocatable housing for the Olympics only), but the value of the surrounding property would go up and existing local residents might either sell their property for capital gain and thereby transform the social class of the community, or rents would escalate and the existing residents would be pushed out. In other words, the Olympic site had the potential of changing the value of the surrounding property in a manner over which the event organisers had no control.
Impact Assessment of Mega-Events

The question of mega-event impacts is certainly a complex issue and must be viewed as similar to other developmental impacts, whether an industrial plant or resort development. From a local point of view, the mega-event is seen as largely imposed from outside, having social consequences, and producing significant social change (Branch et al., 1984). The mistake is in viewing the mega-event only in terms of the time period of the event for the consequences of the event carry forward. Since mega-events as intrusive developments have the capability of mobilising considerable resources and potentially transforming communities, it has now become commonplace to request an impact assessment (Sadler, 1996). Local development guidelines usually require it and even the IOC now requires environmental impact assessments. However, these impact assessments are usually site specific, do not prevent government overrides of impact recommendations, and do not deal with the overall question of the impact of the event itself.

It is here where the Cape Town bid was unique in that it promised a Strategic Environmental Impact Assessment by experts that examined all facets of the Olympic plan (e.g. job creation, price effects, small business opportunities, population growth effects, nation-building, sustainability), and then was to provide opportunity for public input after reviewing the assessment. A strategic assessment is a higher-level examination and appraisal of an initiative when it is in the pre-project stage. Unfortunately, the assessment was repeatedly delayed due to lack of funds, and when the final report was released so close to the IOC vote in September 1997, there was little opportunity for real feedback. By that time, every effort was made to minimise opposition so that local support for the bid would be perceived to be strong and the bid would be successful. The rather small Stop 2004 Olympic Bid Forum had argued all along that organisers were more interested in marketing the bid to local residents than they were in listening to what they had to say anyway. Clearly when organisers are already into serious planning and local residents want to debate the merits of bidding in the first place, there is little common ground in the short-term. Public participation versus public buy-in are two different things.

The real issue here is whether mega-event organisers are committed to being socially responsible or whether the dynamic of bidding to be successful, or preparing with on-time schedules, minimises such efforts. Each case needs to be judged on its own merits, but it is clear that a mitigation plan to control adverse effects needs to be in place whether the impact is a forward or parallel linkage. There is also a need to analyse impact equity in terms of losers, winners, and vulnerability. Perhaps the best conclusion to this matter is to remind mega-event proponents ‘to deal with the issues and public concerns that really count, not just those that are easy to count’ (Interorganizational Committee on Guidelines and Principles for Social Impact Assessment, 1995: 35).
References


