



# PacificMUN 2018

Dare to Speak | February 23-25

International Olympic Committee  
Backgrounder Guide



# IOC - Topic A

PacificMUN 2018

Dare to Speak.



Dear delegates,

My name is Jaskirt Brar, and I have the absolute honour to welcome you to the International Olympic Committee (IOC) at Pacific Model United Nations 2018. I will be serving as the IOC Director with my Assistant Director, Annie Deng and Chair, Naomi Shi. This year at Pacific MUN, the conference opportunely coincides with the quadrennial Winter Olympics, thus adding to the unique delegating experience IOC presents. The dais looks forward to seeing delegates challenge themselves, engage in fruitful debate, and tackle two very pressing topics over the course of the conference.

I am currently a Grade 11 student at Southpointe Academy and have been apart of Model UN for three years. Using MUN, I have expanded my knowledge of the world from a unique perspective deviating from a classroom setting. The decision to immerse myself in Model UN has served as an excellent one that I have never looked back upon. Throughout all the conferences I have attended, I have always been drawn to the fulfilling and engaging debate that has ensued. While participating in Model UN, I have been able to see the world through a different lens and create relationships that will last a lifetime. Your Dais hopes for a weekend of engaging and fruitful debate that will foster new learning while also being memorable.

Both topics, Corruption in Choosing Host Cities and the Ramifications of Economic Expenditures in Host Countries explore the different responsibilities of this committee and represent an array of issues within its jurisdiction. The very existence of these two subjects is tarnishing the reputation of the IOC and, therefore, requires a comprehensive resolution in order to help mediate the current situations. In preparing for the topics, the dais encourages delegates to thoroughly analyze the backgrounders, research their individual nation's policies, explore past and present case studies, and look into current IOC mechanisms for improvement.

Although the process of preparing for the conference can be daunting especially in combination with other commitments, please do not hesitate to utilize the backgrounders. However, if you feel the need to seek further clarification or extra resources, feel free to send any questions or concerns to the committee email as we'd love to answer the questions you may have. With that, I wish you the best of luck in your preparation!

Sincerely,

Jaskirt Brar

Director of IOC

## Committee Description

The International Olympic Committee (IOC) will be a unique committee at PacificMUN 2018. Although not a traditional UN body, the IOC continues to serve as the world's absolute authority in regards to all Olympic-related matters. Although its role has diversified with the expansion of the Olympic Games in the modern era, it remains the leader from a logistical perspective. The responsibilities of the organization continues to grow as seen with the committee focusing on using the Games as a tool to promote global social initiatives in coordination with the United Nations. In conjunction with its role at the forefront of planning and coordinating the Olympics, the IOC uses its grip to intertwine sport and social awareness in the Games.

Additionally, it is important to note that the committee was initially founded in 1894 as a means of planning and coordinating the revitalization of the ancient Games for the modern era. Since then, not only has it been the primary organization committee for both the Summer and Winter Games but has also expanded its role as a promoter of the global Olympic Movement.<sup>1</sup> The IOC would not be able to operate without its members. Hence, there are 105 active members, 32 honorary members, and 1 honour member.

The IOC has seen a significant evolution in the goals of the committee since its inception, however, some essential aspects of the committee continue such as upholding the Olympic Charter.<sup>2</sup> The guidelines of the Charter focus on promoting various social, ethical, and education related philosophies and outline the full role of the IOC.<sup>3</sup> In addition to the various parameters set forth in the Olympic Charter, there has remained a consistent theme from the inception of the committee to the present day; the Olympic Games can be a tool for positive impact in all countries involved.

As the Committee is not directly a UN body, the mandate regarding such is slightly different. Nevertheless, there still appears to be cooperation between the two bodies in order to achieve their collective goals. To expand, the IOC was granted permanent observer status by the UN and therefore plays a role in continuing its mission to spread the acceptance of sport as a means to promoting internationally agreed development goals.<sup>4</sup>

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1 <https://www.olympic.org/about-ioc-institution>

2 <http://www.inbrief.co.uk/sports-law/international-olympic-committee-ioc/>

3 <https://www.olympic.org/news/ioc-welcomes-enhancement-of-close-cooperation-with-the-united-nations>

4 <https://www.un.org/press/en/2016/sg2231.doc.htm>



# Topic Overview

The Olympic Games have always been the pinnacle of human athleticism, but an event of epic proportions is not one without costs of epic proportions. As the demand for the Games has recently increased with a rise in the number of events, the costs have also spiked. For instance, the first Olympic Games of the modern era, Athens 1896, saw a total expenditure of approximately Ten million American dollars when adjusted for inflation.<sup>5</sup> Whereas, the recent Rio Olympic Games cost approximately twenty billion American dollars, a two hundred thousand percent cost increase in expenditures. The costs for such an event are not likely to decrease in the status quo and, with countries looking to increase expenditure based on their expressed privilege of hosting, a decrease in the overall costs will not be viable.

As seen in recent occurrences of the Olympic, the Games have been a source of great economic disparity. The sheer magnitude of the Games relies on immense streams of infrastructure which can be incredibly costly if not already existent. The economic state of host nations post-hosting the Olympics is of utmost importance to the IOC as it is a measure of the IOC's capability to choose host nations.<sup>6</sup> The state of the economy is also important if the result of the Games has the ability to inflict any grief upon a nation as that goes against the principles of the Olympic movement. One area of particular interest is the growing concern from nations in regards to hosting the Games and the inevitable shrink in demand to do such. If nations refuse to bid to host the Games in the future, that can potentially attribute to the demise of the Games.<sup>7</sup>

The international community has seen a sudden negative economic change in attitude towards the Olympic Games. These thoughts have been fueled by case studies suggesting the Games do not provide the overall intrinsic and extrinsic benefits as previously thought. Also, there has been speculation that the sheer costs turned off various developing suitors that did not see the games as an adequate opportunity to further themselves on a global stage. For instance, the 2014 Winter Olympic Games cost Russia fifty billion dollars along with a two hundred eighty-nine percent overrun in the associated costs.<sup>8</sup> In order to revitalize the Olympic Games, there must be appropriate action taken to mediate the burden of hosting an event of such proportions.

Subsequently, delegates should be informed on the methods of investigation in the selection of host nations as well as potential methods of assessing specifically liable countries during the process.<sup>9</sup> Additionally, delegates should look for unique solutions which have the ability to not only mediate the costs of hosting but allow for various nations of different backgrounds to do so. Hopefully, the IOC will be able to restore the past glory of hosting the games.

## Timeline

### **776 B.C.E: The first Olympic Games take place in Ancient Greece**

In the plains of Olympia, the games were a means of honouring their respective gods.<sup>10</sup> This marks the ancient beginning of the Greek Olympic Games pitting amateur athletes against each other.

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5 <http://time.com/4421865/olympics-cost-history/>

6 <https://qz.com/753250/rio-2016-is-hosting-the-olympics-ever-worth-it/>

7 <https://www.cfr.org/backgrounder/economics-hosting-olympic-games>

8 <https://www.forbes.com/sites/niallmccarthy/2016/08/04/the-massive-cost-of-hosting-the-olympic-games-infographic/#3f46f19a2e38>

9 <https://www.forbes.com/sites/niallmccarthy/2016/08/04/the-massive-cost-of-hosting-the-olympic-games-infographic/#3f46f19a2e38>

10 <https://www.olympic.org/ancient-olympic-games/history>

### **1894: The IOC is first established**

Founded on June 23, 1894, in Paris, France, by Pierre de Coubertin the committee begins its plans on revitalizing the first Olympic Games of the modern era and creating the basis for the Olympic Movement. Coubertin is seen as the first to revitalize the committee and the overall concept of the Games. He is often considered the father of the modern Olympic era.

### **1896: The first Olympic Games are held in Athens**

Playing host to 251 athletes from 13 countries the Games are held with nine sports.<sup>11</sup> They marked the official beginning of the Modern Olympic Era and signified a new shift in the sports event known as the Olympics.

### **1936: The Olympics are held in Berlin**

This iteration of the Games was the first to systematically link a particular political ideology and use them as a form of state-led global soft power.<sup>12</sup> The government of Germany, led by Adolf Hitler, used the Olympics to showcase Nazi ideals and propaganda officially intertwining politics and Olympic sport as a whole.<sup>13</sup>

### **1972: The Munich Massacre takes place during the Summer Olympics**

In Munich at the Summer Olympics, the major massacre occurred and put future host cities on alert in regards to security concerns. The event signified the first instances where security became a highly vested interest. The increased precautions in regards to security have been a cause of various cost increases related to the games.

### **1984: The Los Angeles Olympics**

The Summer Olympics in Los Angeles were the first to rely almost entirely on existing infrastructure and became the only Olympic event in history that was profitable. The lack of independence on newly made infrastructure, specifically for the games, meant the costs were hugely decreased.

### **1996: Creation of IOC knowledge program**

The IOC knowledge program was created as a means of spreading awareness of the costs of previous Olympics and teaching future host cities.<sup>14</sup> The intent behind such a program was to use past case studies and past failures as a means of informing future host cities with tips.

### **2004: The Athens Olympics**

The Athens Olympics showcase the sheer costs and ramifications of hosting the Olympic Games which went 60% over cost and fell prey to the volatile investment of hosting which, in this case, did not pay dividends.<sup>15</sup> Although not the only cause, the Olympics served as a catalyst for economic decline and the vast costs put the economy in a state of depression.

### **2014: The IOC met for its 127th session in Monaco to pass the Olympic Agenda 2020.**

The Agenda is based on reforming the status quo and changing the longstanding but somewhat liable mechanisms still in use. The reform recommendations had a profoundly positive effect on the 2022 bid process. Both Almaty and Beijing embraced the spirit of Olympic Agenda 2020 and its emphasis on legacy, sustainability, and cost containment.<sup>16</sup>

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11 <https://www.cfr.org/backgrounder/economics-hosting-olympic-games>

12 <http://time.com/4421865/olympics-cost-history/>

13 [http://keepingscore.blogs.time.com/2008/08/07/a-long-history-of-olympic-politics/photo/olympic\\_politics\\_05/](http://keepingscore.blogs.time.com/2008/08/07/a-long-history-of-olympic-politics/photo/olympic_politics_05/)

14 <https://www.weforum.org/agenda/2016/07/the-cost-to-cities-of-hosting-the-olympics-since-1964/>

15 <http://www.politico.eu/article/how-the-olympics-rotted-greece/>

16 [https://stillmed.olympic.org/Documents/Reference\\_documents\\_Factsheets/2020-Host\\_City\\_Election.pdf](https://stillmed.olympic.org/Documents/Reference_documents_Factsheets/2020-Host_City_Election.pdf)

## 2017: Budapest withdraws its bid to host the 2024

After a referendum deeming the Olympics an unnecessary investment is passed, the nation withdrew its bid to host. The country housed a vote from the people that saw the Olympics as an over expensive endeavour and signified a change in the attitudes of nations in regards to hosting.

# Historical Analysis

## Change in Ideology

The Olympic Games are an ancient endeavour that began as a religious festival to celebrate Zeus in Ancient Greece. They were held solely in one location, Olympia. The Ancient Games were quite grand, but nothing to the scale of today's Games. Although this religious tradition continued for nearly twelve centuries, it was ended abruptly under the rule of Emperor Theodosius I.<sup>17</sup> It took approximately 1503 years for civilization to reincarnate the power of the Games, albeit under different circumstances.

In 1892, a man named Pierre de Coubertin saw the reinvigoration of the Ancient Olympic Games as a means of promoting various ethical, moral, and societal ideologies through sports that fell in accordance with the Olympic Movement. The Games fell prey to becoming a sideshow to greater world events such as the World's Fair during the early part of the twentieth century. Although investment growth in the Games was seen during the interwar years, it was not until the 1936 Berlin Olympics that the approach nations took towards hosting the Games had changed. These Games were the first to link their political ideologies and the Olympics in the hopes to use the support as a global soft power (preference through appeal and attraction).<sup>18</sup> The drastic shift in ideology meant that the fiscal costs in creating the spectacle needed to be drastically increased. Therefore, there was a reason for Berlin becoming the first host nation to spend upwards of a billion dollars in their duties. After 1936, host nations began to see the Games as a means of asserting their presence in the world and, hence, began to create more elaborate venues and infrastructure specifically for the Games. For instance, MEDCs began to view the Games as an opportunity for boosting their existing prestige and LEDCs saw the Games as a means for showing their capabilities as wealthy nations.<sup>19</sup>

The IOC has made a point of trying to diversify the range of host cities for the Olympics in the hopes of generating newfound demand in areas of particularly low coverage.<sup>20</sup> However, the large burdens of hosting an event the size of the Olympic Games provides a financial burden that could potentially harm these nations.

## The Realization of Costs

The responsibility of hosting the Games has always fallen on the countries that the IOC had deemed the most abled. There have been some instances in which the host nations had financially benefited from the Games, such as the financial gains seen through the 1976 Los Angeles Olympic Games. However, in most cases, the responsibility of hosting the Games have been riddled with enormous cost overruns of which most countries cannot financially handle. The IOC's past efforts to diversify the demographics that view the Olympics and the enormous growth in costs that the Games have seen leading to the modern era; the hosting responsibilities can spell disaster for host nations. In the case of Athens 2004, the country had struggled to turn dividends from what was previously thought to be a good investment in the Olympics. Instead, a major problem occurred, the creation of various white elephants investments (which are

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17 <https://www.penn.museum/sites/olympics/olympicorigins.shtml>

18 <http://time.com/4421865/olympics-cost-history/>

19 <http://www.investopedia.com/articles/markets-economy/092416/what-economic-impact-hosting-olympics.asp>

20 <http://gizmodo.com/is-hosting-the-world-cup-worth-it-anymore-1582720624>

possessions that are useless or troublesome) through the infrastructure and eventually contributed to the country's great debt problem.<sup>21</sup>

There have been efforts to mediate the costs of the Olympics in those nations that require it most, however, most efforts have been done in vain. For instance, the IOC implemented the Olympic Games Knowledge Management program (OGKM) as a means of allowing future organizational committees to essentially learn from past experiences and to optimize their own practice.<sup>22</sup> The program also served as a forum for organizational committees from their respective nations to look at methods of optimizing costs and regulations. Despite this, nations continue to overspend and over-compensate for the Games and, in some cases when the countries are economically volatile, can result in great economic grief.

## Current Situation

The Olympic Games have always been a place where cultural boundaries, ethnic tensions, and economic levels were looked past to foster an all-inclusive environment. However, the "magic" of the Games only lasts for a short time span and has often left its host nations with great debts. Though some cities have been able to receive the potential benefits posed by the Olympics, the majority have been faced with less than ideal circumstances. The expensive infrastructure and operating costs of Olympic projects have left cities with crippling debt that stagnates development rather than kick-start it.<sup>23</sup> For instance, from 1968 to 2012, every Olympic Games ended up costing more than originally estimated.<sup>24</sup> The problem of enormous costs related to the Olympics is due in part to both parties, the host cities and the IOC.

In the status quo, nations use the Olympics as a developmental kickstarter. Despite this, when the total costs and infrastructure promised are factored into the equation, the total costs of completing the project can outweigh any benefits that could have potentially existed. In some cases, the infrastructure created is useful and contributes to the betterment of the area surrounding the Games, but in some cases, the infrastructure necessary can turn into white elephants which further contribute to a country's liabilities when hosting. On the other hand, the IOC can be at fault under these circumstances for having great demands which make hosting an almost unprofitable endeavor. Developing nations continue to be enticed by the great developmental opportunities posed by the Games. But, with the Games expanding exponentially, one could argue developing nations simply cannot handle an event of the economic magnitude such as that of the Olympics. If policy does not change, the cost of these events will continue to rise, pushed ever upward by the recklessly high bids of corrupt developing states who cannot, inconsistency with their moral duties to their citizens, liquidize the large sums of cash they claim they can.<sup>25</sup>

As seen with the recent Rio Olympics, the sheer magnitude of the event, especially in coordination with prior commitments, meant that the ever-expanding costs of hosting the Games were too much to handle for the Brazilian government. At a cost of approximately thirteen billion dollars, the Games were a nightmare from a post-Olympics perspective and have been the cause of various domestic problems such as an increased crime rate in the city of Rio.<sup>26</sup> The study of Rio de Janeiro highlights a greater problem in the relations between the costs of the Olympics and the capabilities of nations to host them. Various case studies can

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21 <https://www.theguardian.com/sport/2012/may/09/athens-2004-olympics-athletes-home>

22 <https://www.olympic.org/news/ioc-observer-programme-provides-behind-the-scenes-experience-for-future-games-organisers>

23 <https://csisprosper.com/2016/08/04/hosting-the-olympics-the-developing-worlds-burden/>

24 <https://www.theguardian.com/sport/blog/2017/feb/27/olympic-bidders-face-harsh-reality-of-costs-heavily-outweighing-benefits>

25 <https://benjaminstudebaker.com/2014/02/08/developing-countries-shouldnt-host-the-olympics/>

26 <https://www.bloomberg.com/news/articles/2017-06-14/the-olympics-cost-rio-at-least-13-1-billion-and-probably-more>

suggest that developing nations often neglect their own capabilities in favor of more optimistic approaches to hosting which can often serve as a catalyst for catastrophic ramifications in regards to economic expenditure.

Delegates must consider that some nations have looked at past case studies and are determined that the Olympic Games are an event solely for those nations that are economically powerful. Due to these circumstances, they have pulled themselves out of contention deeming the game's not worth the liabilities they impose. In the case of Budapest, the nation withdrew a bid to host the 2024 Olympic Games because its citizens saw the Games as a, "wasteful investment." Budapest is not the only nation to back out of hosting based on the current situation. Numerous instances such as those of Boston, Philadelphia, Hamburg, and Denver have seen similar courses of action.<sup>27</sup> The ramifications caused by economic expenditures on the Olympics can potentially lessen the demand for hosting and could threaten the longevity of the IOC as certain case studies have shown.

## UN Involvement

Although the United Nations and the International Olympic Committee harbour close relations, the topic of the Ramifications of Economic Expenditures of Host Nations does not directly deal with the UN mandate. However, the IOC has taken some steps to ensure that host nations do not face as great of a burden as previously thought. The focus for the IOC is on those developing nations that have been bestowed the opportunity to host but can potentially not handle the total liabilities associated with hosting the Games. Currently, the IOC has seen a shift back from relying on LEDCs to host as the committee lacks assurance in their ability. Such a shift in ideology is a complete change from past actions that included diversifying the types of nations that chose to host the Games and increasing the demographics associated with hosting. For instance, Rio, the first South American city to host the event, was supposed to mark the dawn of a new and more adventurous era for the IOC. It is, instead, shaping up as a cautionary tale about how volatile conditions can be in developing countries.<sup>28</sup> It is important to consider the less volatile nature of MEDCs in hosting and that the infrastructure already exists in these very countries. The effects of such a change in ideology has been seen almost immediately by the IOC's choice in relying on the Chinese government to host the 2022 Winter Olympics over a developing nation in Kazakhstan. Thus, the ramifications of hosting the Olympics are seen as less of a detriment to the economy in MDCs as opposed to more volatile developing nations.

There have been recent developments in which the IOC is working on mediating the overall effects of hosting the Games. The major contributor to such are a few of the recommendations outlined in the Olympic Agenda 2020. Firstly, the venues and the Games, in general, should have an impact in the areas after the Olympics have passed through their respective host cities. The venues should be a means of providing various environmental, economic, social, and sporting benefits in an effort to mediate the costs of the Games and prevent the creation of white elephants in the form of infrastructure.<sup>29</sup> For instance, the IOC advises nations to consider the case study of Stockholm and its ability to retain usage for their existing buildings many years after their respective Games had ended. Secondly, the IOC deemed the current bidding system as too strenuous and saw that increasing the transparency associated with the process would be an effective way to decrease the cost. Also, the increase in transparency was done in the hopes that it would attract more nations to join in the bidding of the Games. The Olympic Agenda 2020 has served as a benchmark for further mediation in the realm of decreasing the overall economic repercussions

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27 <https://www.theguardian.com/sport/shortcuts/2015/nov/30/hosting-olympics-hamburg-drop-out-2024-games>

28 <https://www.theatlantic.com/business/archive/2012/07/3-reasons-why-hosting-the-olympics-is-a-losers-game/260111/>

29 [http://www.huffingtonpost.com/william-morrow/the-ioc-must-do-more-to-h\\_b\\_11553548.html](http://www.huffingtonpost.com/william-morrow/the-ioc-must-do-more-to-h_b_11553548.html)



associated with hosting the Games.

In the past, the IOC has received heavy criticism for its lack of action in regards to the issues facing various Olympic Games and the problems associated with such. However, with recent criticisms of the organization potentially harming the longevity of the Game's; action needs to be taken. The IOC has taken collaborative efforts between various Olympic organization committees in an effort to use education as a means of decreasing costs for the Games. The shortcomings of one host city's experience could serve as an educational experience for future cities in their experiences.

## Seeking Resolution

In an age where countries must grow to see brighter economic days ahead, the Olympics seem to be a plausible means of achieving such. However, the responsibilities related to hosting the Games can be somewhat of a gamble in regards to the benefits that they can offer and often leave nations facing surmounting debt. It is important to note that, LEDCs often see the Olympics as a means of furthering their global stance, but often lack the economic stability capable of hosting the Olympics. However, the IOC would not like to take the Games completely away from these LEDCs and, therefore, would like to allude to potentially harboring joint Olympic ventures. An investment of this sorts would not only allow cities from LEDCs to host the Olympics but would enable them to do so under less of a financial burden. The nations that appear to have the highest costs in hosting are those that do not possess the pre-existing infrastructure. By allowing multiple cities to host the Games, the problem of building infrastructure disappears, while allowing for those same cities to benefit from hosting the Olympics.

A major factor contributing to the over-spending on the Olympics is the existing means of bidding on the Games. In the status quo, the IOC expects nations to express in their bids how them hosting will have a lasting legacy on the future of the Games. The ideology promotes the creation of largest Games to date, but can also trigger various forms of overspending and the creation of various white elephants. A transparent system would help to codify principles of good governance by being far more clear with their use of finances in the future.<sup>30</sup> Additionally, reforming the process would also help tackle the issue of the IOC turning off potential suitors by the process and allows for more nations to enter the bidding process. In combination with the aforementioned possible solutions, a more involved IOC may help nations reduce the costs associated with bidding on the Games. This may serve as a means of incentivizing further participation in the Games.

One area of particular consideration is to shift from a creationary ideology to one that emphasizes sustainability. One major problem that faces most nations that choose to host the Olympic Games is the creation of white elephants. It is imperative that these high investments in infrastructure are not done in vain and these buildings have a function after the Olympics. The IOC must work in coordination with host governments to prevent Olympic infrastructure from turning into relics and ensure they help benefit the overall development of all surrounding areas. Delegates should consider the contentions stated in the Olympic Movement and ensure that they align with the proposed solutions. After all, Olympic Legacy is referenced extensively and delegates should look into maintaining positive legacies in the nations the Olympic have or will call home. The IOC looks at the Olympics from a perspective that emphasizes legacy and the creation of white elephants directly contradicts these very ideologies. Instead, delegates should look at various case studies such as those of Lillehammer, whose sports arenas, which are available for public use as well as for elite athletes, have been used for several other major sporting events, as well as concerts and other cultural and commercial meetings since hosting the 1994 Games.<sup>31</sup>

30 <https://www.theguardian.com/sport/2014/nov/18/olympic-games-bidding-cheaper>

31 [https://stillmed.olympic.org/Documents/Olympism\\_in\\_action/Legacy/Olympic\\_Legacy.pdf](https://stillmed.olympic.org/Documents/Olympism_in_action/Legacy/Olympic_Legacy.pdf)

Additionally, the IOC should reform its current system of the distribution of funds to benefit host nations in their pursuit of the Games further. Controversially, one could argue the funds are meant solely for the IOC. But, others would argue they should be used for further mediation in the host cities that require such. Delegates must consider what is reasonable for both parties to consider when looking at such a solution. The committee must also tackle the issue of confidence in nations and must come to a consensus on whether it wishes to lend the responsibility of hosting to LEDCs or constrict the rights to nations with the existing infrastructure. Delegates should also look at the importance of hosting to both parties and the benefits that they bring when looking into solutions.

## Bloc Positions

In the IOC, the general consensus for almost all members is that a price decrease is needed in order for all nations and committee members to host a successful Olympic Games. However, the economic status, as well as the level of infrastructure, also plays into the overall bloc positions that host countries may face. Although not completely solidified, the stance of all nations in regards to this topic is highly dependant on the economic state of a nation.

### **LEDCs Willing to Host**

A variety of less developed nations, described as LEDCs, see the Olympics as a viable investment. These reasons stem from ideologies that deem the Olympics a potentially successful investment that has the potential to grow exposure for that nation and serve as a showcase to the world. The Olympics can serve as a means of growing economies further and increase the status of infrastructure in these nations. While the ramifications of the money spent on hosting the Games can be large, these nations see this as an opportunity rather than a burden. However, these LEDCs would be in favour of proposed cost decreases from the side of the IOC as it allows for them to stand a chance against larger and more financially stable nations.

### **Economically Unstable Countries**

Although the nations see the Games in a positive light, they simply lack the resources to bid or host for such a grand event. The Games have the potential to be a great investment for the countries. However, unless they take part in a joint bid of sorts, the prospect of hosting is a rather faint idea. The population, as well as the government, view the Olympic Games as an afterthought to the domestic problems and concerns that the countries may be facing.<sup>32</sup>

### **MEDCs Skeptical of Hosting**

Although fully capable of playing host to the Olympic Games, these nations do not find the endeavour to be useful and often times avoid the process in general. In modern times, most developed nations have specific needs that they prioritize above the act of hosting. Like LEDCs, MEDCs seek growth, both fiscal and developmental, but some do not see the Olympic as a means of completing such. However, seeing as though these nations have already developed significantly and their roots have already been planted, the Olympic Games do not seem to be worth the risks associated with hosting them.

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32 <https://benjaminstudebaker.com/2014/02/08/developing-countries-shouldnt-host-the-olympics/>

## **MEDCs Willing to Host**

Like LEDCs, these nations wish to use the Olympic Games as a means of developing themselves further and on a grander scale while contributing to their overall Olympic Legacy. As these countries possess more financial stability, the costs of hosting the Olympics do not affect them as greatly. There are smaller risks associated with potential cost overruns and liabilities because these nations have greater financial security than other nations. However, such security does not mean that they do not hope for reform in the status quo. They also hope for mediated ramifications in regards to their economic expenditures.

## **Discussion Questions**

To what extent should LEDCs be allowed to participate in the hosting of the Olympic Games? Should they be allowed to participate while the economic restraints placed on them are very high?

Is it the responsibility of the IOC to intervene in helping cities host the Olympics, although they bid under their own prerogative? How can cities lower the costs of hosting the Olympics without seeking outside help from the IOC?

What kind of international regulation must be into place to decrease the overall costs, both fiscal and developmental, for prospective host cities?

After the games have taken place, how can the IOC and host cities work in conjunction with each other to help create sustainable developments? To what extent should both parties be involved in the creation of non white elephant esque infrastructure?

Should the IOC lessen the demands placed on potential host cities in order to decrease costs? Are the host cities responsible for the debt and cost overruns attributed to hosting the Olympics?

In the status quo, the bidding process requires nations to prove in their bid the seriousness of their hosting. Should the IOC look into a more reformed process in order to prevent outlandish costs from taking place?

In the end, the Olympics should be used as a means of promoting the Olympic Movement and development in a diverse range of nations across the world. Can this philosophy remain if the Olympics can cause enormous amounts of economic grief and often heed contradictory benefits?

## **Further Reading**

<https://www.olympic.org/about-ioc-institution>

<https://www.cfr.org/backgrounders/economics-hosting-olympic-games>

<http://library.la84.org/SportsLibrary/JOH/JOHv1n1/JOHv1n1f.pdf>

<https://www.theatlantic.com/business/archive/2012/07/3-reasons-why-hosting-the-olympics-is-a-losers-game/260111/>

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<https://www.theguardian.com/sport/2014/nov/18/olympic-games-bidding-cheaper>

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