

Centre for Chinese Studies
China Forum Event

CCS Panel Discussion:

“The Beijing Olympics 2008”

Speakers:

Dr Scarlett Cornelissen, University of Stellenbosch

Dr Kamilla Swart, Centre for Tourism Research in Africa

Prof Zhang Yongpeng, Chinese Academy of Social Sciences

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Stellenbosch University



**CENTRE FOR
CHINESE STUDIES**

Summary of Panel Discussion

The Centre for Chinese Studies at Stellenbosch University held a seminar on the 3rd of May 2007. The topic for discussion was “The Beijing Olympics 2008”. Speakers were Dr Scarlett Cornelissen from the Political Science Department, University of Stellenbosch, Dr Kamilla Swart, from the Centre for Tourism Research in Africa, and Professor Zhang Yongpeng from The Chinese Academy of Social Sciences, who was a Visiting Academic at the Centre for Chinese Studies.



From left: Prof Zhang Yongpeng, CASS, Ms Lucy Corkin, CCS, Dr Kamilla Swart, Centre for Tourism Research in Africa, and Dr Scarlett Cornelissen, SUN

Dr Scarlett Cornelissen: China and the 2008 Beijing Olympics and the implications of sport and mega-events in the semi-periphery

Hosting a mega-event such as the Olympic Games or a World Cup is significant to semi-peripheral states due to the underlying incentives which can be attached to the bid and the process of hosting a big event. Such states are not traditionally viewed as host-nations, but in recent years, there has been an increase in the number of mega-events hosted by semi-peripheral states. Hosting such an event holds great potential and political significance to host-nations.

There are the obvious economic impacts and positive effects on tourism, such as the new infrastructure and development that is necessary before the event, but also revenue and employment opportunities during such an event. There are also long-term benefits such as the economic regeneration and tourist interest in the country. Looking beyond these beneficial aspects, there are also political and social impacts that affect host nations. Examples include nation-building, legitimising of government position, pride and marketing for the country and foreign policy objectives that can be realised with a successful bid for hosting mega-events.

Mega-events and semi-peripheral states can be seen as functioning within a self-sustaining orbit. Once a country becomes incorporated into the 'circuit', it serves their purpose to stay on this circuit and make multiple bids, for various events. Dr Cornelissen emphasised that this was demonstrated by the various bids made by South Africa before being awarded the 2010 FIFA World Cup.

The bidding for mega-events has become part of the foreign policy agenda of many semi-peripheral countries, as an attempt to exert themselves onto the global stage. China hosting the 2008 Olympic Games serves a dual political purpose as it not only demonstrates China's ability and willingness to host big events but also promotes their particular variant of modernisation in contrast to the Western version.

With the hosting of such an event, a diplomatic dialogue can be opened to include human rights and the 'Two Chinas' issue, which continue to be of great importance if China is to become a leader in the global arena.

Dr Kamilla Swart: The 2010 FIFA World Cup and South Africa

There are numerous positive effects across a broad range of industries that can be attained by hosting a successful World Cup. Tourism is the first and most obvious industry, since such an event provides exposure and information about the country to visitors. It also gives foreigners a sense of the culture and environment that could stimulate further travels to South Africa.

In the run-up to the event, various new infrastructural developments take place such as the building of new stadiums, roads, hotels and houses. These developments provide an economic boost as well as opportunities for local firms to make monetary gains and expand their portfolio of expertise.

The challenge for South Africa is to use this opportunity as leverage for further growth and development and for long-term change to occur. Sustainability is very important, especially in the South African context, and the legacy that is left behind after the conclusion of the event will determine the success.

The latest developments in the road to the World Cup in 2010 include some uncertainty over the progress on the new stadiums being built around the country, transport systems readiness to cope with the influx of visitors to the various cities, safety and security as well as the accessibility of the games to average South Africans due to high ticket prices.

Fan parks are being built in order to accommodate fans unable to afford tickets and these may provide South Africa with the opportunity to attain sponsorship outside the official FIFA structure. There is also opportunity for cooperation between previous host nations such as Germany and England to learn from their experience and improve in troubling areas.

Prof Zhang Yongpeng: The 2008 Beijing Olympic Games

The Olympic Economy is a series of economic activities for the Olympic events conductors to make use of the resource advantages and commercial opportunities created by the Olympic Games in the preparing, hosting and post-hosting phase of the events, the result of which is to pull and accelerate the local economic development as well as that of the host country.

These include all developments before, during and after the event, so as to give a span of 10 – 12 years. Historically speaking, the host country experiences a decline in GDP growth in the year following the Games.

There are eight broad areas in which major benefits can be experienced with the arrival of the athletes and the audiences. These areas are:

- Tourism: About US\$ 5.6 billion is expected to be gained by the estimated half a million tourists that will visit China during the Games.
- Wholesale and Retailing: The increase in tourism numbers will drive consumption spending, and more goods will be sold and produced to cope with the increased demand. Retailing volume is estimated to reach up to US\$ 1.8 billion.
- Realty: Property market boom with new exposure and development
- Architectural Industry: This industry is offering about 80,000 people new jobs and gaining around US\$ 500 billion in architectural products. Innovation in technology and architecture is stimulated.
- Transport and traffic
- Technology and Information: The games have been labeled the 'Digital Olympics' due to the various advances made in broadcasting and information technology.
- Cultural and Sports Industry: New cultural awareness is stimulated leading to cultural tourism, cultural entertainment and art development.
- Brand enterprises: The competitive capacity of the different sponsors is enhanced by exposure and focus

Prof Zhang Yongpeng also noted that there has been a migration of the labour force into the Beijing area in order to fulfill the requirements set by the Olympic Games. Poverty reduction and rural development is a priority for China and can be seen as long-term benefits derived from hosting the Games.

In conclusion the negative side was noted by looking at the cyclical downturn in China's economy that coincides with the post-Olympic slump in capital that is expected after the event will be hosted.

Compiled by:

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