

# 2010 revenue over-rated

## Researcher says World Cup is not a cash cow

NOELENE BARBEAU

**T**HE BENEFITS of the the World Cup have been over-estimated, warns a Durban researcher who has spent five years looking at the effects the event will have on South Africa.

"All of South Africa's urban ills will not be solved by 2010," warns Dr Udesh Pillay, principal investigator and researcher at the Human Sciences Research Council who is leading their World Cup Research Project.

Over the past five years, Pillay has been researching the World Cup and South Africans' views on its benefits.

His findings also indicate that poor local ticket sales means more foreigners will have to buy tickets for the event to be a success.

Pillay argues that while employment opportunities have been created, these are temporary and have resulted in little skills transfer.

He says that although it will boost tourism, this is unlikely to exceed 0.5 percent of the GDP and that the World Cup would not abate poverty or accelerate levels of service delivery.

Pillay's findings are detailed in his recently published book, *Development and Dreams: Urban Legacy of the 2010 Football World Cup*, in which he says the economic benefits of

being a host country have been overstated.

Pillay's earlier studies have shown there is no proof that hosting mega events such as the World Cup will result in meaningful job creation or significantly contributed towards the GDP, infrastructure, service and facilities provision beyond the event itself.

He said the World Cup would improve the country's public transport system, but will not solve the problem.

It would also help accelerate service delivery in some of the townships, but only marginally.

Durban Chamber of Commerce CEO Gugu Mazibuko was

positive about South Africa's benefits after the World Cup.

"From a tourism perspective, Germany's host cities didn't benefit tremendously during the event.

"It was actually other cities in the country that did – Germany as a country benefited.

"There was a huge tourism boost subsequently measured by the number of tourists who visited the country after the World Cup," Mazibuko said.

She said the study had looked at the spin-offs and a benchmark was the MasterCard ranking. Germany had previously started at the bottom of the pile before the World Cup and today it was currently ranked in the top three. South Africa, she said, was currently ranked 30 out of all the countries in the world.

Mazibuko is confident that South Africa would be highly ranked following the World Cup.

"The key benefit is that people will see the infrastructure that South Africa has," she said.

Patrick Bond, from the Centre for Civil Society at the University of KwaZulu-Natal, agreed with Pillay's views.

He felt Durban's Moses Mab-

hida Stadium could become a white elephant. "The Sharks don't want to move across to Moses Mabhida Stadium and tear down Absa Stadium.

There will be a battle to fill the seats at the new stadium after the World Cup. The city fathers have built a grandiose white elephant. They are not providing citizens with what they need," he said.

Provincial director of Black Sash Evashnee Naidu said her organisation was concerned about what would happen to the country after the World Cup.

She said that while they did value the development that had flourished country-wide, what they found scary

was the minimal skills transfer. "For example, there is no skills transfer in a worker standing at a construction site simply waving a red flag for the next three to six months. The standard of living for the worker and his or her family would have increased during this time, but once the job is complete they would go back to poverty, placing a larger burden on the economy," said Naidu.

She felt the government should have programmes addressing this issue. "I don't think South Africa will get back what it has put into the World Cup. We've built stadiums, but what will happen to them after-

wards?" she asked.

Naidu said South Africa had no concrete programmes to take care of its people.

Isobel Frye, director of the Studies in Poverty and Inequality Institute, agreed with Naidu on the short-term benefits to job creation such as an income to households, but asked what would happen once the jobs were completed.

She was also concerned that there was a lack of skills transfer. She said skills had not been provided for people to stand on their own, leading to entrepreneurship.

"Infrastructure-wise we all will benefit in terms of the Gautrain and the development of roads. However, the real benefit in terms of tourism remains to be seen," said Frye.

Pillay said 2010 would contribute to a positive national identity, but not significantly to lasting integration.

It would position the country more competitively, but not before we got more of the basics right. And lastly, it would create world class facilities to attract mega-events in future, "but for the most part these are likely to be under-utilised".

For a copy of the full report e-mail Hanlie Rossinger at: [researchoutputs@hsrc.ac.za](mailto:researchoutputs@hsrc.ac.za) [noelene.barbeau@inl.co.za](mailto:noelene.barbeau@inl.co.za)