## INSTITUTE OF APPLIED RESEARCH IN SUSTAINABLE ECONOMIC DEVELOPMENT – IPADES

## MEGA EVENTS AND DEVELOPMENT

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In Brazil the mega events shall ensure the gains only sectors of the economy and of politicians, or also will show advances in the development and political behavior of society?

Brazil will stage mega events during the period from 2013 to 2016. The Confederations Cup, World Youth Journey, FIFA World Cup and the Olympics. This means coordinating public and private investment to ensure the success of the mega event in all its dimensions.

These range from hosting security dimensions; energy attention to tourists; people mobility infrastructure to the expansion of the telecommunications network that will carry a huge amount of data, meaning that the Brazilian performance outside the specific field of the event will be exposed to international observation screen of billions of people.

The concrete result of these mega events, however, will appear only after the completion of same. In 2013 the country hosted the first two: the FIFA Confederations Cup and the World Youth Journey. With distinct characteristics already served for economic and political assessments.

The FIFA Confederations Cup in June, although a sporting success, including the champion convincingly, Brazil was able to point out the great questions and dissatisfaction in both the above mentioned aspects. There are several economic additive financial statements to arenas, among which stands out the arena of Brasília – estádio Mané Garricha – with the doubling of value designed. In politics, the Confederations Cup also served as one of the motivations for large concentrations of popular protest across the country, which were identified by the slogan: "wake up Brazil".

In July the country hosted the World Youth Journey, in the city of Rio de Janeiro, with the participation of the Pope Francisco. In the religious aspect was a success, a show. Peace, harmony, solidarity, evangelization and enchantment with the charisma of the Pope, and the energy and the enthusiasm of the young participants. In the planning and implementation of field of faith, closing stage of the journey, in Guaratiba, there was a fiasco, having turned into a quagmire with no conditions to meet your goal. Politically, this time, by the emotional and religious climate of the meeting, the Rio population gave a beautiful host demonstration to help address infrastructure problems; and the pilgrims, also in this climate contributed to accept and contribute to absorb the various logistics and infrastructure failures that occurred.

The country is now facing with the World Cup in 2014 and the Olympics in 2016. The expectation lives up to the forecast impact of each event will represent in the economy and in society's political behavior.

Studies of the Getúlio Vargas Foundation-Projects (FGV – Projects) and Ernst Young & in 2010, assesses the impact of the World Cup in the economy will reach \$ 142 billion. However, you can not tell if this number is less than, greater than or equal. But many investments are still going on, many will still happen, the conclusion is certainly that this number will be greater. For the Olympics, Fundação Instituto de Administração (FIA/USP) pointed out moving \$ 51.1 billion in 2008 values.

International studies have shown that the impacts go beyond the works. The mere fact of flag to the world the features of the host country, for example, can reflect positively on its exports. If investments are well applied, the organization and the logistics and worked, other areas of the economy will also be benefited. It is in this context that the country will realize gains in development, that is, in the externalities of these events.

For Brazil, more than for Germany and South Africa, host of the last two cups, the success and legacy of these events depends on more advances in transport infrastructure and services, particularly hotels, in which the country is still very poor and uneven between its regions and States. However, Brazil still "hostage of an addiction", the absence of long-term planning for large infrastructure works, because the need to shorten deadlines due to electoral cycles speaks louder. The reversal of such a framework will depend on establishing an institutional framework for such efforts do not necessarily depend on the ruler of turn. Means that the works to gain status of a State, not of Government, not of the party.

As for the object of these two events, the sport, can increase participation in GDP, which today is 1.6% to 2%; in the United States this percentage is 3%. With the multipurpose

concept adopted for the management of new arenas it is expected an improvement of the revenue profile of these spaces in general, avoiding the creation of the called white elephants.

However, one of the largest return expectations against the mega events, still focuses on the tourism sector. The sports motivation should drive an increase in the number of international tourists to the country from 5.8 million recorded in 2012, to 7.9 million in 2016, with an average growth of 8.03% per year. Tourist foreign exchange revenue, an increase of 11.7% is pursued to the year, jumping from \$ 6.65 billion in 2012, to \$ 10,34 billion in 2016.

For its part, the sports tourism can be a way for the country to also enjoy his immense potential in the tourism culture, Brazilian society has an extensive cultural diversity. In this respect the country should prepare at least three fronts. The first relates to the staff qualification – cultural tourism guides – take tourists not only the beauty of the art presented, but make it understand as much as possible what it represents. In the heritage plan will have to revitalize the largest possible number of museums, with the adoption of audio guides and creating special access for wheelchair users. And in the third front, create the conditions for small and medium-sized entrepreneurs, even those outside of the host cities, to promote their products at the time of the events and to extend the knowledge of the tourists about the Brazilian cultural manifestations.

A new aspect that the mega events can bring to the country is a new system of governance. It is an organization of consultants in different areas, a system of planning, monitoring, of which the three levels of government – federal, State and municipal – should participate in incorporating private sector actors. Will be something extremely efficient to change the low ability of municipalities generally have run projects for lack of staff, hiring system rigidity, lack of funds, and other regulatory issues.

The mega events not only bring a planning system which is very important with timelines and deadlines, seen to be tied to a deadline that does not change, but brings harmony, sense of urgency and fundamental works to leverage the benefit. Experience that should be incorporated into the management methods across the country.

From what you've seen in 2013, by behavior and participation of the population can be expected that changes occur to frame these mega events, as far as possible, in benefits to society.