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OLYMPIC GAMES AND FOOTBALL CUP
HOW MUCH CAN STILL BE UNDERTAKEN BY BRAZILIANS?

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On 30 October 2007 Brazil exploded of joy after announcing that in 2014, the 20th FIFA World Cup will take place in the country. What better choice than the nation of football? Well, maybe not so good.

It is well-known that for many years governments are used to work hard to get the chance to host one of the international sport events. But sadly, this “honourable” fight does not only take place for the beauty of sport.

Most of the countries have other goals in mind when they propose themselves as candidates, some hope to make benefits and to improve the economic situation of their country in several areas. Indeed, hosting a great event gives benefits in direct ways (transport and communication/telecommunication improvement, decrease of costs, tourism and money spent by tourists, job creation, etc.) and also indirect ways (recognition of the town/country at the international level, pride for citizens, etc.). Unfortunately, it is quite hard to quantify those benefits and it takes years to evaluate all the profit created by hosting of such an event.

But let us start from the beginning; to be chosen, a country first has to prove its motivation and its ability to host this competition.

How? Each country that wants to host an international football event has to make a formal application which is submitted to the FIFA. After deliberation, the best one will be chosen to host the competition. The quality of the project relies on several criteria: the reasonability of the project, the ability to implement it, the motivation of the political leadership any many more aspects.

Therefore, after years of building their project, trying to find the best ideas, how could they convince the committee to give them the hosting of the football cup, Brazil finally won

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against nobody. But still their project was really impressive and they did their best to give the best image of the country, with the modern weapon (money).

It is true that their project did not lack of interest: out of the 18 stadiums initially expected, 14 were already built and only needed a little renovation; which make only 4 stadiums to build. Which other country can have the same infrastructure (certainly not Qatar)? But still, we are talking about stadiums, big infrastructures able to host tens of thousands of people, made of concrete and iron, but still comfortable enough to host people in good conditions.

Therefore, even though the project was reasonable, the size, all safety rules and other norms were synonyms of a huge budget.

The first budget presented in 2007 by the Brazilian government was about 7 billion dollars, but as for every competition, this last one was also under-evaluated. The costs turned to 11 billion in 2014, a month before the competition, and the post estimations of the global football championship are now around 15 billion dollars. The budget was completely blasted, more than doubled.

The cost increased for several reasons: first, the renovation of the different stadiums was underrated, and the initial budget of 1.6 billion turned to a 3.26 billion, twice the expected costs.

In the meantime, as all the attention was focused on stadiums, other investments were put aside because of the lack of budget. And obviously, these projects were the ones that could have improved people’s daily life, for example public transport: 29 of the 35 public transportation projects were not finished on time and remain uncompleted.

This was a badly planned project, especially when the point of the collective well-being was put forward to convince the committee and to reassure the population. We came to a result were necessary projects were given up and useless projects were reinforced. Many could think that Brazilians were sacrificed to satisfy the rest of the planet.

Additionally, the average income in Brazil increase of 80% between 2003 and 2013, while the minimum salary increased only of 20% during the same period. These non-proportional evolutions reveal a faster augmentation of higher and middle class revenues than low ones. Indeed, the augmentation of high salary is more than proportional than the lower incomes. But it did not stop here, in the same period, inflation rate reached 76.5%. Average incomes followed quite well the augmentation of prices but lowest incomes increasing did not even
cover the augmentation of prices. Therefore, poorest Brazilians could buy less and less things within years.

Just to make a comparison, an average ticket price was about 350€. The minimal salary is 250€ per month, most of the tickets were way higher or represented half of it.

As for it, the average salary is around 450€ per month. In both cases, Brazilians could not have afforded to pay this amount of money. To allow Brazilian people to be watch some football games live and to stay away from any contestation, the government proposed tickets at a price of 11€.

But that measure was not enough to restrain the anger of the people. In 2013, 75.8% of Brazilians declared themselves as against expenditures for football world competition.

In March 2013, when an augmentation of public transport ticket was announced, it was the straw that broke the camel’s back. Mass demonstration blasted in whole country, beginning with a bunch of students, about 300, to reach all the communities, 1 million of Brazilians demonstrated by 20 June.

And even after the reestablishment of previous public transport prices, demonstrations did not stopped and even intensified. The price of public transport was just the spark that ignited a fire. Beyond the simple organisation of sport events, Brazilians just could not take anymore this system were inequalities were part of their daily lives and they took advantage of this event to express all their other demands.

In this country where inequalities are a part of everyday life, people denounced the amount of money spent for the host of the football competition (Just remind that: Brazil is the nation of football). In comparison, the expenditures for health and education are respectively of 25.8 and 21 billion dollars.

In 2012, a 13 years old girl, Isadora Faber, became famous after denouncing in a Facebook page the bad conditions of the educational system, which lacks of books, furniture and teachers. In the streets we could hear some Brazilians shout “they prefer ball over than books”.

Moreover, the violence did not help to stop this movement; during the altercations with the police, dozens of injured people have been counted among the demonstrators, and 2 deaths were registered, all of this condemned by the Amnesty International and other human rights organisations.
But this is just the top of a way bigger problem; in Brazil, 6 persons are killed each day by police, about 12,000 between in 4 years, which represent as much as in United States in 30 years.

For a time, demonstrators were cast aside and their demands were forgotten. 600,000 foreigner tourists were expected, more than a million came and the hotels, which expected 80% frequation, were not enough to host all of them.

For sure, it created jobs, but only for some time. And as the international event ended, the problems remained. For example, the debt increased by 35 points in 6 years, to reach about 1,500 billion dollars in early 2015. 11 billion dollars were spend and only about 5 billion of turnover for the FIFA.

As for Brazil, people wanted to believe in the economic miracle, though it is true that 730,000 jobs had been created 400,000 temporary (tourism: coffee shop, restaurant, hotels) and 330,000 stable, (mostly in marketing, sport facilities, stores, etc.).

But at the end Brazilians came back from the honeymoon and even rose against the amount of money spent for the host of the pope, 57 million dollars, paid by the Brazilian taxpayers for the World Youth Day in summer 2014. All these mindless expenditures, while the country still owes a 450 billion dollars debt pissed off the Brazilians.

The consequences of such spending could be felt in the economy: growth expectation has been decreased for 2015. Indeed since 2011, the country knows some troubles, with a low growth (1% in 2012, 2.5% in 2013) and even some period of recessions. As with every international event, the government and big companies tried to sell the myth of the economic miracle. No matter how much the country invest, it will be good for jobs in many sector, construction, services, tourism, and in the end, all the infrastructures constructed will be used by the citizens in their daily life (transport, stadium, etc.). Eventually, it is supposed to improve their life. What a wonderful thing if it could be true. (Just keep in mind, that Montreal could finally pay back the costs of the 1976 Olympic Games after 30 years).

But as we have already seen, the long-term improvement cannot be true for the public transport. Also, some stadiums have only been constructed for the global event. After hosting four matches, the Arena de Amazônia – a stadium especially constructed for the global sport event and located in Manaus – remains unused with three other stadiums; another white elephants.
Well maybe not; an idea, as strange as it seems could born from these stadiums and solve a recurrent problem in Brazil: the housing. Indeed, the “Casa Futebol” project propose to transform a part of the bleachers by some pre-built homes. It could be a really good idea in this country where the lack of housing is estimated at 5.2 million. (And what a better spot to watch football games?)

As the Olympic Games approach, Brazil could get familiar with a new rise of contestation. The global football competition cost more than it brings back, and the Olympic Games seem to follow the former sport event about the amount of money spent.

Indeed, Olympic Games budget is expected about 12 billion dollars. But as Brazil is facing troubles, price could still increase and a new bunch of political demonstrations could follow. Brazilians are only waiting for a new event to gather them and make them take back the fight, even though the government is still promising a new economic miracle.

And for now, already several reasons could make the fire ignite once again. The issue of forced evictions from the favelas is a big one; according to Amnesty International, the development of the Olympic Games is made to the detriment of favelas’ inhabitants. Several hundred of families have already undergone this. People who lived here all their life, who have a job and friends here, have to go away without any proposition of compensation or alternative housing.

Moreover, since 2010, the increasing prices – which can be about 50% on the seaside and 16% in the city centre – forced people to give up on their dreams of such a house.

Lately, this is the contamination problem which scares people. The polluted water might prevent the windsurfing event, health of sportsman being endangered if they fall into water. Therefore the government promised to solve the problem, at least partially until the beginning of the Olympic Games. Otherwise, this event permitted to enlighten some troubles of the country like pollution. Indeed, thousands of dead fishes were discovered in February and April 2015 near the site of the next Olympic Games in Rio de Janeiro. 42.9 tons of dead animals had to be transported.

If no explanations were furnished and the government called itself shocked, we can easily imagine one of the causes of this disaster. Since decades, toxic chemical and other untreated water are poured in the river. If millions of dollars already have been spent to solve the problem, this visibility could force the authority to really take care of this problem. Indeed, international organisations are worried about the athletes’ health (“Do not fall into water”),
and the government promised to reduce of 80% the rate of contamination of the lake. In order to succeed, the government needs to attack the source of this contamination: regulation about industry should be reinforced, controls must be made more often and more seriously, wastewater treatment system should be repaired which would allow the water decontamination facility to work entirely and not only 50%.

Favelas, in which the inhabitants throw their garbage, could be transformed into proper homes with real evacuation wastewater disposal systems. But we are not in a dream: the solution cannot be found in one year, it will take decades to solve this problem, and it requires full commitment from the government.

Regretfully, the problem concerned international sport organisations that were worried about their sportsman, to finally interest and bring the government to promise to act concretely.

Such a decision would not have been taken if it was only for Rio de Janeiro’s inhabitants. It might seem that athletes worth more than simple people nowadays, and it is sad to wait for a global exposure to take care seriously about such a bug thing.

But the latest scandal in Brazil could really put President Dilma Rousseff in danger: the Petrobras corruption scandal. Big engineering companies created a cartel to separate the market and benefits, and in exchange of closing their eyes, politicians received bribes. We are talking here about 4 billion dollars, and the politicians implied are member of the PT, who leads the country.

This huge amount of money was enough to make the anger rise. But in the meantime, Minister of Finance Joaquim Levy announced a cost cutting plan in order to decrease the debt of the country. This plan provided for the most important measures: augmentation of the taxes, tightening of unemployment compensation’s access conditions, reduction of retiree officers, and abolition of the electricity company’s subsidies. This was the pot calling the kettle black. As the Brazilian opposition warned, the government should really have to put its own house in order before throwing such a measure.

Therefore, when the scandal exploded in March 2015, 1.5 million Brazilians went to the streets in anger and asked for the demission of Dilma Rousseff. Even though she is not directly implied in this case, Brazilians are suspicious and most of them think she was aware of the malfeasance. 67% of the Brazilians ask for her to give up her president situation. Brazil has been weakened by all of these events and the unity and support of power is really hard to
find. Brazilians already endured a lot and are really close to the break up point with the president.

It is not hard to be in the role of a fortune-teller when analysing the current social and economic situation in Brazil: thus it would not be surprising to hear about new demonstrations and contestation in the next few months.

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