

THE TWO UNSUCCESSFUL BIDS OF THE CITY OF MADRID TO THE 2012 AND 2016 OLYMPIC GAMES AND ITS EFFECTS ON SPORTS VENUES AND INFRASTRUCTURE IN THE CITY

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Abstract

Introduction

Until 1992 the number of cities bidding to host the Olympic Games remained relatively low. However, the commercial and managerial success of the 1984 Los Angeles Olympics and the significant transformations associated with the 1992 Barcelona Games, which has been presented as a showcase of sport-led urban regeneration, represented a turning point with more cities interested in this global event (Emery, 2001; Gratton and Henry, 2001; Paramio Salcines, 2011). This situation has led Shoval (2002) to state that we are in the beginning of a new phase in the development of the Olympic Games with more global cities participating in the 2012 and 2016 bidding process.

Making bids for major events such as the Olympics is very costly, requires considerable resources and is also a long term process. As part of this process, some urban leaders' claims that even unsuccessful bids for the Olympic Games, as in the Madrid case, can be valued as an strategic decision to promote the main features of the entrepreneurial city. A plethora of authors such as Essex and Chalkey (1998); Levin (2010); Lenskyj (2000) and Hiller (2000) remark that one of the managerial concerns would be to assess the legacy and effects of bidding for and mainly failing to get the Olympics, an issue that has received less attention in literature than it deserves. This study therefore seeks to examine some of these issues by focusing mainly on the current state of sports venues and infrastructure after the two unsuccessful bids of Madrid for the 2012 and 2016 Games.

Methodology

This analysis builds on the review of existing material of sport and urban regeneration from scholars from different disciplines. Regarding the Madrid case, the authors have incorporated a review of press, the Bid books of Madrid 2012 and 2016 Olympics and several interviews and personal communications with officials within Madrid 2012 and 2016 Olympic bids.

Results and Discussion

The Madrid bid for the Olympics was inspired by the much-acclaimed model of Barcelona. As part of this, one of Madrid's key motivations for bidding for the 2012 as well as for the 2016 Games was to accelerate significant transformations in two areas of the city, in the East and South parts which are difficult to accomplish under normal circumstances (Ministerio de Fomento, 2001).

The analysis of the documents and interviews showed that the cost of the Madrid bid for the 2012 Games was €18.6 million; urban leaders stated that around 70% of the facilities needed for the Games were already in place. Compared to the 2012 bid project, there are substantial differences as the cost for the 2016 bid had increased to an estimated €55.8 million, with 76% of the facilities already built. If we compare the bid budget for all the cities that were candidates for the 2016 Games (Chicago, Tokyo, London, Madrid and Rio de Janeiro) (Paramio-Salcines, 2011, forthcoming), the overall cost was \$179.4 million, with most of them spending similar figures.

Irrespective of the bid outcome, the Madrid project promised to enhance sporting infrastructure and sport participation in the city as potential benefits. Of 30 venues included in the Madrid bid for the 2016 Games, fifteen are located in the east of the city, 11 are in the west of the city in the River Manzanares Zone and the rest are in central areas and in nearby cities. Though the 2016 Madrid bid emphasized that 76% of the facilities were built, two of the main facilities, the proposed Olympic Stadium and the Aquatics Centre, still had not been built. At the time of writing it remains to be seen how these facilities will evolve in the near future. Alongside all the positive impacts of the 2012 and 2016 bids on sports venues, there are other benefits to the city: the opening of new Metro stations, the building of Terminal 4 at Barajas airport and the transformation of the River Manzanares for sport and recreational uses that will improve the socio-economic conditions and quality of life for large areas. There have also been negatives effects on the city such as the increasing debts of the Madrid City Council which might affect other public projects in other areas of the city and the running of public services, which is one of the recurrent challenges that any entrepreneurial city, as the case of Madrid represents, need to face.

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