# Political Risks, Political Capital and the Russian Football World Cup: Who Were the Winners and Losers?

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#### Aim

To examine how the Football World Cup is leveraged by different stakeholders, to develop their political capital which can be used to generate political change.

Theoretical Background and Literature

Since Russia was awarded the rights to stage the World Cup in 2010, there has been no shortage of controversies. These have ranged from allegations of corruption, state sponsored doping and concerns over racism. Perhaps of more concern have been some of the broader geo-political shifts and actions of the Russian Government since 2010, which mean the event will be taking place within some very complex international political conditions. What adds further salience to the subject area of political risk and sport events is the continued rhetorical engagement with Corporate Social Responsibility (CSR) agendas by corporate bodies, where the focus is increasingly going beyond environmental issues, to include political and social conditions. For example, in FIFA's 2026 guidance for bidders of the World Cup (FIFA 2017), bidders needed to show a commitment to the principals of human rights and sustainability. The critical question however, is that rhetorical engagement is not the same as effective practice. This issue of the gap between rhetoric and actual practice is one of the areas considered in exploring how different stakeholders use the event to get political change, for good or bad, by leveraging the event.

In this work, the concepts of political risk management and political leverage (French, 2011) are used to explore this subject area. In addition, the work of Piekarz (2009) and Adams and Piekarz (2015) is built upon by applying their theoretical models in an applied manner to the Russian World Cup.

#### **Research Design and Methods**

The paper uses two theoretical models to inform the methods and analysis. The first is the application of the Political Risk Analysis Model developed by Piekarz (2009). This model gives a theoretical framework from which to identify and analyse a variety of political risks. It is underpinned by using systems theory and a 4th age risk paradigm (i.e. risks are framed within a complex system and can be both opportunistic and threatening). The second model is the Human Rights Impact Model developed Adams and Piekarz (2015), which gives an applied focus to the political environment, but concentrates on human rights and how sport events act to promote or erode people's rights. In both models, in order to apply them to the Russian World Cup, it requires the utilisation of a variety of open secondary data bases, such as the data provided by Freedom House, the World Bank and Coface International.

## **Findings**

At the time of submission, only some of the key findings are available, as the final part of the analysis will take place after the actual event (June 2018). Some of the initial findings are that it is both vital and possible, to measure the event impacts not only for the traditional economic, social and environmental layers, but also the political. This political impact

analysis is made achievable by utilising and adapting theories, concepts and frameworks from the subject area of political risk management.

#### **Conclusion**

Perhaps not too surprisingly, it is anticipated that the key winner is likely to be the Russian Government which will use the event to entrench its power and erode human rights (findings already discernible at the time of writing). Yet having said this, some of these gains are likely to be short term as the 'after-glow' of events quickly dims; furthermore, it is also anticipated that smaller stakeholders, such as the various internal and external pressure groups will have the potential to leverage the event to develop their own political capital in order to foster political change, which may mean there are likely to be a number of smaller wins gained. Reflecting on 'how' they did this will be an important part of the study.

#### References

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