...s and benefits of hosting the Olympic Games in Rio de Janeiro

In 2016, the Brazilian city of **Rio de Janeiro** hosted the Summer Olympic Games, having been awarded the right to do so by the IOC in 2009 over competing bids from Madrid, Tokyo and Chicago.

Rio de Janeiro had **submitted a bid** to host the 2004 Olympic Games, losing to Athens in the selection process. The city officials decided not to bid for the 2008 Olympics, but to bid for the Pan American Games in 2007 instead. Rio de Janeiro was successful in bidding for the Pan American Games. The successful delivery of the Pan American Games, at that time the largest sporting event in the Americas and one of the largest sporting event in the world, convinced Rio de Janeiro's officials that they should try and bid again to host the Olympics.

Rio de Janeiro bid for the 2012 Olympics, but lost in the bidding process once again, this time to London. A further bid was submitted to host the 2016 Olympic Games, and this time the bid was **successful**. This was to be the first Olympic Games to be held in South America and the first since 2000 to be held in the southern hemisphere.

There were several **motives** behind Rio de Janeiro's persistent bids to host the Olympic Games:

- **Infrastructure development** — the Olympics provided the incentive to build new sports venues and urban housing, and improve roads and railways that would have enduring value for cariocas (residents of Rio de Janeiro).

- **Economic benefits** — city officials believed that the Olympics would boost the Brazilian economy, initially through the construction work of building Games facilities, and then through a significant boost to tourism.

- **International recognition** — it was hoped that the Olympics would focus the world's attention on Brazil's economic development, culture and tourism potential.

- **Sports development** — hosting the Olympics was seen as a way of promoting the involvement and participation of cariocas in sport, and developing sports facilities in general.
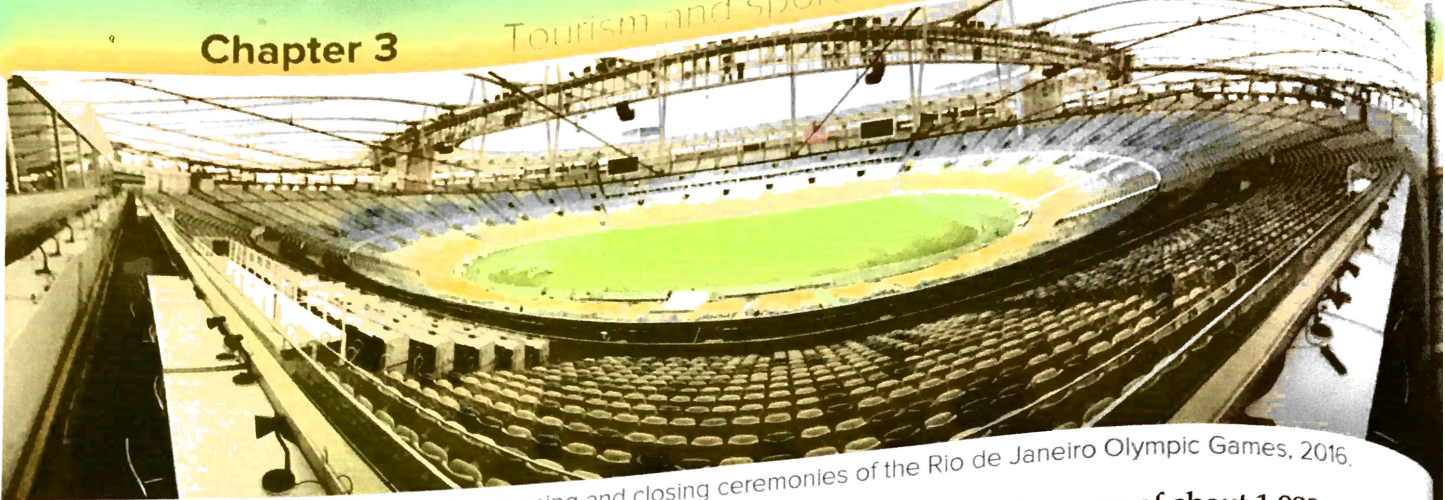
In announcing that the 2016 Olympic Games would be held in Rio de Janeiro, IOC officials said that they took into account the **technical aspects** of the city's proposals, Brazil's known **passion for celebrating sport**, the fact that the Olympics had never been held in **South America**, and the **transformative impact** that hosting the Games might have on Rio de Janeiro, Brazil and South America in general.

During the two weeks of the Games, 11,300 athletes representing 207 National Olympic Committees competed in more than 300 events in 28 sports. The

... where events were held in Rio de Janeiro during the 2016 Olympic Games. The white ... backgrounds show the number of venues in each cluster. Inset shows the Games logo.

3.76 The Maracanã Stadium, used for the opening and closing ceremonies of the Rio de Janeiro Olympic Games, 2016.

events took place in **32 venues** in Rio de Janeiro as well as five venues in other Brazilian cities; São Paulo, Brasilia, Belo Horizonte, Salvador and Manaus. Within Rio de Janeiro, the Games venues were organized into **four clusters** within Rio de

3.77 An exterior view of the Maracanã Stadium, which had been renovated for the FIFA World Cup final in 2014.

Janeiro, a large urban area of about 1,000 square kilometres containing a population of 6.5 million people. Of the 32 venues used in Rio de Janeiro for the Olympics, 18 were existing facilities (eight of which required some redevelopment or renovations), eight were new constructions, and six were temporary constructions that were removed at the conclusion of the Olympics.

The largest cluster of Olympic venues was the **Barra Cluster Olympic Park**, which accommodated 15 venues. Most of the facilities in Barra were new constructions, built across a main road from new high rise flats that were used as accommodation for the athletes.

The largest Olympic venue was the **Maracanã Stadium** where the opening and closing ceremonies were held, together with the athletics and football competitions. The Maracanã Stadium can hold almost 79,000 spectators and required no new construction or renovation as it had been upgraded just a few years previously for the FIFA World Cup

3.78 The Estádio Nilton Santos required extensive renovation before it could be used for the 2016 Olympic Games as a wall in the stadium had collapsed in 2008, and after a forced closure in 2013 when it was found the structural integrity of the roof was substandard.

3.79 The Barra Olympic venues during their construction one year before the Games (in July 2015).
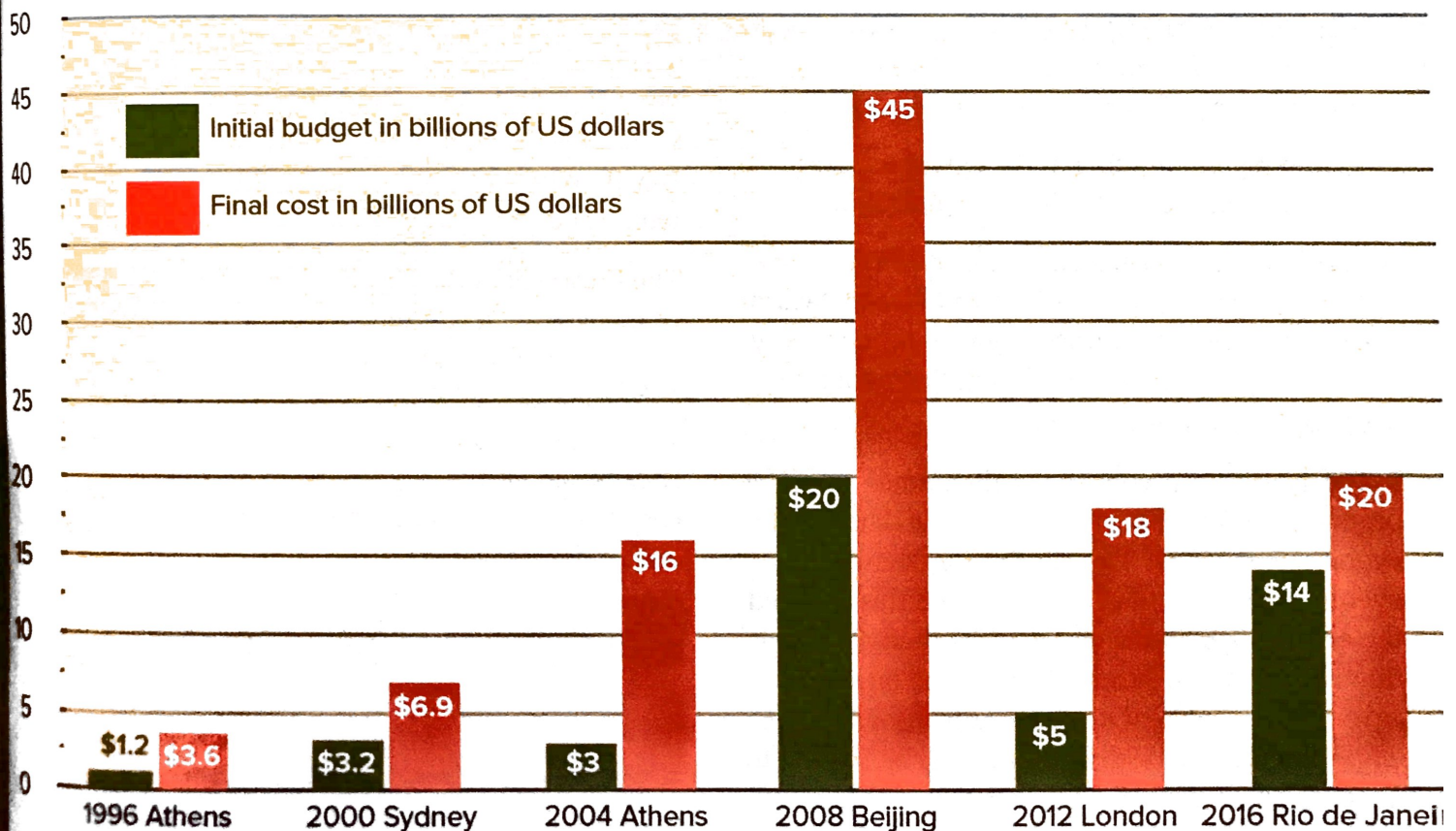
3.80 Construction of new infrastructure (roads, drainage and housing) in the Barra district as part of the Olympic Games preparation.

final in 2014. Another large stadium, the **Estádio Nilton Santos** (located in **Deodora**), was only a little smaller, seating 60,000 spectators for the track and field events after extensive renovations.

The **total cost** of hosting the 2016 Olympic Games was US$20 billion, about US6 billion more than the original budget allowed. The **over-run in costs** was not something unusual for Rio de Janeiro; as figure 3.81 shows, budget blowouts have been a feature of every Olympic Games for at least the previous twenty years leading up to the 2016 Olympics.

The organisers of the Rio Olympics faced a number of **significant challenges** that combined to reduce the benefits of hosting the Games:

- An outbreak of **Zika virus** in Brazil in the months leading up to the Games caused widespread concern and reduced the number of spectators and athletes attending the 2016 Games.

- **Drug-resistant bacteria** (carbapenem-resistant Enterobacteriaceae, or CRE) were discovered about a month before the Olympic Games in coastal waters near the area where the sailing events were scheduled, further reducing visitor numbers. **Pollution** in the waters used for Olympic events included observations of old mattresses, tables, televisions, old cars, and dead dogs and cats floating in the water.

- Brazil's President was under trial for **impeachment** throughout the period before and during the Games, raising fears of political instability. Concern about **corruption** and public **spending** on non-essential projects (like the Olympics) became visible globally when millions of protesters took to the streets.

- Brazil's economy was suffering a **recession** during the period leading up to the Olympics,

Initial budget in billions of US dollars

Final cost in billions of US dollars

	1996 Athens	2000 Sydney	2004 Athens	2008 Beijing	2012 London	2016 Rio de Janei
Initial budget	$1.2	$3.2	$3	$20	$5	$14
Final cost	$3.6	$6.9	$16	$45	$18	$20

3.81 Estimated vs final cost of hosting the summer Olympic Games, 1996 to 2016. Sources: Figures are all estimates based on academic and news wire services, compiled by the Council on Foreign Relations