

## ***ACCURATELY ACCOUNTING FOR OLYMPIC GAMES COSTS: An Opinion***

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There are many schools of thought and diversified views on the possible methods of ‘accurately’ accounting for Olympic Games costs. The aim of this paper is not to judge as to which of the methods is more correct than the others, or for that matter, to judge as to whether holding the Olympic Games and the expenses involved therein are normally justified or not, when there are obviously more needy causes to which the application of these expenses would serve the human race more humanely. The purpose of this paper is merely to present another possible viewpoint of looking into and taking account of the costs and the obvious, as well as the not so obvious, benefits (social, cultural, political, economical, sportsmanship, etc.) of such expenses incurred when the Olympic Games are held in a city/cities of a country.

It is an undeniable fact that the amount to be expended on the Games depends not only on the quality and the extent of the existing infrastructural facilities available, (e.g., airports, hotels, stadia, living quarters, parking, etc.) but also to the politico-social hang-ups of the ruling élite of that country. It is an unfortunate and undeniable fact also that these international occasions, especially in the less developed countries, present the political leaders of those countries with unique opportunities for one-up-manship and self-aggrandizing ego trips with an internationally readily available audience of several billion television and media spectators. This provides an exceptional occasion for plundering the wealth of the countries and incurring costs many times more than necessary.

However, in accurately accounting for Olympic Games costs, it would seem to be unfair to take that portion of expenses which are purely for self-aggrandizement as part of the costs of the Games. It would also be unfair to ignore the hidden commercial, cultural, and tourism benefits which accrue to the host nation before, during, and after the Olympics.

Some are of the opinion that the infra-structural costs should be included as part of the costs of the actual Olympic Games itself, whilst others, like past IOC President, Lord Killanin, believe that these costs should not be treated as such.

I am inclined to think the latter, since all the facilities built for the actual Games or because of the Games, such as airports, stadia, parking areas, and lodgings, remain for the beneficial use of the community and can also be used in other international sports meeting. In addition, the cost of these structures can be amortized over the many years of their existence.

In some countries the lodgings built for the use of the athletes participating in the Olympics are later handed over to universities to be used as student resident halls. They are also often used as low-cost housing projects for the more needy sections of a community.

How does one measure the hidden benefits of creation of a work, even on a temporary basis, when one must measure the thousands of workers involved, and the economic benefits which occur from that work force spending more time in the community? For another matter, how does one measure the pride of the populous of not only the community involved but the entire country in which the Games will take place?

How should one evaluate, if at all, the awakening of the love of sport in general, which would obviously result as a direct effect of having the Olympics in one’s own country?

What value should one attribute to permanent work made available to the community because of the requirements of maintaining many of the facilities built for the Olympic Games?

What price tag should one place on the fact that a city, purely because of the Games, can boast of having stadia, airports, and permanent facilities, which would otherwise not have been built were it not for the Olympic Games?

In conclusion, it would seem appropriate to disregard the accounting of the costs and revenues of Olympic Games purely by using the black and white facts and figures of accountants, but to look beyond, taking into account social accounting methods and benefits accruing to which it is difficult to attach a known figure.