

Passage #5 – Hosting the Olympics

Extended Response Stimulus Materials:

Source Material #1

Guest Column: Let's Put Our City On The Map
Igor Kreswesi, CEO, The New World Group
The Portland Gazette

Our mayor and city council are debating the wisdom of putting together a bid to host the Summer Olympics. If they decide to go forward, it will be the smartest decision our city has ever made. As chief executive of a company that develops large shopping centers, I understand the hard work that goes into planning an enormous project – but I also know that the rewards are worth it.

Many people might think that hosting an international event of this size is too expensive. And there's no question that there are significant costs at the outset. But these kinds of events bring positive attention to their host cities, attracting visitors — and their wallets — before, during, and long afterwards. Those tourist dollars benefit the city at every level, from hotels to taxicabs. As one Canadian planner wrote after the 2010 Winter Olympics, “[L]ooking back at other Olympic cities such as Barcelona, Salt Lake City, and Sydney, all have established themselves as world cities through the hosting of this major event.”

While some residents may be inconvenienced by stadium construction projects or temporary road closures, these nuisances are more than balanced by the excitement and sense of community pride engendered by becoming a host city. Think, too, of the jobs these projects provide, improving our local economy. And because of the number of volunteers needed to carry out a huge event, there are opportunities for thousands of citizens to get involved. This sense of “pitching in” often leads to a general rise in volunteerism.

Finally, and maybe most important, when cities host events like the Olympics, they gain not only new sports venues that can be used for years, but they are also motivated to carry out those road and transportation projects that they have been putting off. So, after the event, we all live proudly in a better and more efficient city. It's a win-win.

Source Material #2

Guest Column: The Olympics Are a Losing Proposition
Genevieve Dupont, Chief Economist, Bennett & Greene Investments
The Portland Gazette

When we drive around our city, it is doubtful that many of us say, “Why not spend billions of dollars constructing new stadiums and swimming pools?” And yet, isn't that what bidding to host the Olympic Games boils down to?

Let's start with the cost of building facilities for the events. Of course, we can use the stadiums that we already have, but many more would be required. As other economists have pointed out, the "costs of Olympics have a tendency to rise over time and be much greater than expected." In some host cities, this has meant an increase in taxes to cover the losses, despite promoters' rosy promises.

Proponents claim that tourists will flock to our region and spend their money here. While this may be true during the games themselves, there is little evidence that this carries over to increased tourism afterwards. Tourism after the 2008 Beijing games, for example, rose only two percent. Then there is the additional cost of security for visitors and athletes while they are here.

How about the other economic selling points, like job creation? While construction companies would benefit in the short term, those jobs are temporary. And what do we do with a giant stadium once the Olympics are over? Would it become a monument to fiscal foolishness? The 90,000-seat "Bird's Nest" stadium built in Beijing at a cost of \$480 million — plus \$11 million a year since then to maintain — is now an empty "museum piece," according to The New York Times.

Let's return to our drive around the city. Aren't we more likely to say, "Let's use our resources to repair the sidewalks, replace that damaged bridge, and improve our schools"? These are projects that benefit the entire community, not just a handful of construction firms and developers. Seen from nearly every angle, hosting a large international sporting event is a losing proposition, and our city leaders should nip this idea in the bud.

Extended Response Prompt:

Analyze the arguments presented in the two guest columns.
In your response, develop an argument in which you explain how one position is better supported than the other. Incorporate relevant and specific evidence from both sources to support your argument.

Remember, the better-argued position is not necessarily the position with which you agree. This task should take approximately 45 minutes to complete.