Global Perspectives on Democracy and Public Stadium Finance

Timothy Kellison
*Georgia State University*, tkellison@gsu.edu

Michael Sam
*University of Otago*, mike.sam@otago.ac.nz

Sungil Hong
*Hong Kong Baptist University*, sungil@hkbu.edu.hk

Kamilla Swart
*Hamad Bin Khalifa University*, kswartarries@hbku.edu.qa

Michael Mondello
*University of South Florida*, mmondello@usf.edu

Follow this and additional works at: [https://scholarworks.gsu.edu/kin_health_facpub](https://scholarworks.gsu.edu/kin_health_facpub)

Part of the Kinesiology Commons

**Recommended Citation**
Kellison, Timothy; Sam, Michael; Hong, Sungil; Swart, Kamilla; and Mondello, Michael, "Global Perspectives on Democracy and Public Stadium Finance" (2019). *Kinesiology Faculty Publications*. 43.
doi: [https://doi.org/10.1080/24704067.2018.1531680](https://doi.org/10.1080/24704067.2018.1531680)

This Article is brought to you for free and open access by the Department of Kinesiology and Health at ScholarWorks @ Georgia State University. It has been accepted for inclusion in Kinesiology Faculty Publications by an authorized administrator of ScholarWorks @ Georgia State University. For more information, please contact scholarworks@gsu.edu.
Global Perspectives on Democracy and Public Stadium Finance

Timothy Kellison\textsuperscript{a}
Michael P. Sam\textsuperscript{b}
Sungil Hong\textsuperscript{c}
Kamilla Swart\textsuperscript{d}
Michael J. Mondello\textsuperscript{e}

\textsuperscript{a}(corresponding author)
Georgia State University
Center for Sport and Urban Policy
PO Box 3975
Atlanta, GA USA 30302
tkellison@gsu.edu
+1 404-413-8363 (phone)
+1 404-413-8053 (fax)

\textsuperscript{b}University of Otago
School of Physical Education, Sport and Exercise Sciences
46 Union St West
PO Box 56
Dunedin, New Zealand
mike.sam@otago.ac.nz

\textsuperscript{c}Hong Kong Baptist University
Department of Physical Education
933 Academic and Administration Building
15 Baptist University Road Campus
Hong Kong, China
sungil@hkbu.edu.hk

\textsuperscript{d}American University in the Emirates
College of Business Administration
PO Box 50300
Academic City
Dubai, United Arab Emirates
kamilla.swart@aue.ae

\textsuperscript{e}University of South Florida
Muma College of Business
4202 E. Fowler Avenue, BSN 3403
Tampa, FL USA 33620
mmondello@usf.edu
Abstract

Arenas, ballparks, and stadiums built for professional sports teams or mega-events all around the world often come with large public costs. In democratic states, citizens are assumed to have a role in public policymaking, but previous research suggests the strength of this role can vary case-to-case. To examine the incidence of public stadium finance and public participation across the geopolitical landscape, a collective case study was employed and organized into regime type (i.e., full democracies, flawed democracies, hybrid regimes, authoritarian regimes). The results of the study show clear contrasts in the financing mechanisms within and between regime types. Additionally, each case-study grouping contained examples of citizen-led public participation, though the efficacy of these democratic actions is questionable. This review complements the growing literature on public policy and stadium finance by assessing public engagement in current stadium-subsidy debates around the world.

Keywords: public policy, stadium financing, mega sports events, democratic participation, geopolitics
1. Introduction

In 2013, a series of violent protests broke out across Brazil, as demonstrators flooded city streets to express their opposition to perceived government corruption, an economy in decline, and—central to this study—the spending of billions of public dollars toward the construction or renovation of a dozen sports stadiums for the 2014 FIFA World Cup and 2016 Olympic and Paralympic Games (Romero, 2013). Similar cases of citizens protesting public stadium financing have occurred around the world, in such varied locations as Dunedin (New Zealand Press Association, 2009), London (Chakelian, 2012), and Atlanta (Klepal & Schrade, 2014). From one perspective, the public assembly of citizens exemplifies democracy in action. A differing perspective might view these protests as the product of dysfunctional democracies, based on the understanding that citizens should have more power in the initial decision to publicly finance a sports stadium. Still others might question the very assumption of democratic rule—that is, is it even necessary that government-led policymaking (e.g., stadium finance decisions) be informed by and correspond to the will of the people?

As public stadium issues arise across states, systems of governance, financing methods, and sports, it is unclear whether democratic decision-making is common, desirable, or even feasible in most cases. Like other major developments, stadium projects often involve myriad stakeholders, complex financial provisions, and monotonous legal procedures, and ordinary citizens may be indifferent toward, unaware of, or ill equipped to decide how best to proceed with a proposed stadium plan. As Birkland (2006) noted, however, even when citizens are not directly involved in policymaking, they remain the key component of the democratic process:

…People tacitly delegate policymaking responsibilities to government and to specialists because everyone cannot concern themselves with the day-to-day panoply of issues that
government must address. But in delegating these responsibilities we do not abandon our interest in what the government does and how it does it (and sometimes the procedures the government uses are at least as important as the goals to be achieved), or our right to promote our own ideas of what constitutes the public interest when we are sufficiently motivated. (p. 11)

Though largely disengaged from the tedium of day-to-day governing, citizens may take interest in legislative proceedings for several reasons, including personal intrigue or the perception that the democratic process is ineffective. A stadium issue in particular may attract public attention—both favorable and unfavorable—because of the project’s or associated events’ supposed economic benefits (Coates, 2007; Matheson & Baade, 2007; Preuss & Solberg, 2006), the expected growth of social capital (Horne, 2011), its large public cost (Kellison & Mondello, 2014), the appearance of so-called corporate welfare (Sapotichne, 2012), its link to a local team (Hyatt, 2007), or the widespread appeal of sport (Garcia, Vermeersch, & Weatherill, 2017; Kellison & Mondello, 2012).

Unique are the individual motives for taking interest in a stadium case, as are the manners in which citizens inject themselves into the policymaking process. In recognition of the wide-ranging perspectives on the utility of democracy in stadium financing decisions, the purpose of this article is to highlight current trends, similarities, and differences in the degree to which citizens are engaged in public stadium finance issues. Additionally, we provide a comparative overview of what public financing looks like and the extent to which it has been used across geopolitical settings. These endeavors complement the limited scholarship on the role citizens have played in individual stadium cases by adding a cross-cultural perspective on democratic
theory and sport. We begin by summarizing the many different ways in which citizens become engaged in stadium policymaking.

2. Public Participation and Stadium Politics

 Democracies require that citizens be treated as equal, autonomous, and free to participate in community matters without fear of obstruction or reproach (Held, 2006; Levin-Waldman, 2013). Despite these common underlying principles, sharp ideological contrasts exist between independent states, and in practice, democracies take many different shapes and forms. According to The Economist Intelligence Unit’s 2017 Democracy Index, less than one-half of the world’s population resides in democratic states (i.e., based on analyses of a state’s electoral process and pluralism, civil liberties, functioning of government, political participation, and political culture). Within that number, wide variations exist between states. In fact, when rated based on the aforementioned criteria, only 19 states (4.5% of the world population) constitute full democracies, while 57 (44.8%) are classified as flawed democracies, 39 (16.7%) as hybrid regimes, and 52 (34%) as authoritarian regimes.

 Differences aside, a key tenet of an effective democratic system is that citizens should be informed and active participants in public affairs (Levin-Waldman, 2013). When it comes to involvement in public stadium cases, citizen participation can take a number of different forms. Perhaps the most recognizable example of how citizens participate in governance is voting. In addition to electing decision-makers, citizens also use the tools of direct democracy (e.g., referendums and initiatives) to decide the outcome of proposed legislation (Brown & Paul, 2002). For example, in 2014, voters in Cuyahoga County, Ohio, passed legislation to extend a local alcohol-and-tobacco tax by 20 years in order to generate $260 million for separate stadium renovations of Cleveland’s Major League Baseball (MLB), National Basketball Association
(NBA), and National Football League (NFL) teams (Tobias, 2014). Other recent examples include Munich, St. Mortiz–Davos, and Krakow; voters in each of these cities rejected bids to host the 2022 Olympic and Paralympic Games (Clarey, 2014). A third form of direct democracy, the recall election, occurs when voters petition to have an elected official removed from office before the end of her or his term. Such was the case in 2011 when 88% of Miami-Dade County voters recalled Carlos Alvarez from his mayoral seat due in part to his support of a $488-million subsidy to build a new ballpark for the city’s baseball team (Haggman & Brannigan, 2011).

Referendums and initiatives sometimes occur after being triggered by some form of petition. Petitions are typically prompted by citizens and must contain a minimum number of voter signatures. Canvassing and petition-signing are examples of democratic action that may be invoked by both pro-subsidy and anti-subsidy constituents. For example, citizens in Inglewood, California, recently submitted twice the number of signatures required to add a stadium measure to a mid-year ballot, the passing of which was designed to lure an NFL team back to Los Angeles (Logan, 2015). On the other hand, opponents of stadium projects in Atlanta and Las Vegas both petitioned to block subsidy legislation in their respective cities (Bluestein, 2013; Southall, 2015).

Opportunities for civic engagement also exist in the campaign leading up to a public vote, and may be present even if a referendum or initiative is forgone and the decision to subsidize a stadium is reserved for elected officials (i.e., a no-vote subsidy; Kellison & Mondello, 2014). Citizens might donate money, time, or other resources to campaigns representing their perspective. As documented in previous literature, pro-subsidy groups are traditionally well financed and highly organized due to the support of their cities’ urban growth machines, whereas
anti-subsidy groups are often less organized and have fewer resources to establish cohesive opposition campaigns (e.g., Curry, Schwirian, & Woldoff, 2004).

In addition to forming political groups and lobbying on behalf of a particular side of the stadium-subsidy debate, individual citizens may—with varying freedom—utilize platforms to voice their opinions on a policy issue. In some cases, citizens direct their viewpoints toward specific policymakers by writing letters to or telephoning their elected representatives. Other times, they attend and, when possible, speak at public hearings. The often-colorful nature of these public meetings has been chronicled in the press and in previous research (e.g., Helgeson, 2012; Lenskyj, 2004; Wasserman, 2006). For example, when 600 people attended a public meeting to discuss the planned closure of Edinburgh’s Meadowbank Sports Centre, some policymakers described the tenor as full of ‘personal and nasty attacks,’ while others suggested the meeting was simply ‘people exercising their democratic right…’ (Reid, 2014, p. 42).

Rather than directing their lobbying efforts toward elected officials, citizens looking to spread their messages to the public at large may elect to write traditional letters to their local news editors. Of course, it is not guaranteed that the simple act of submitting a letter will result in publication; previous research has shown that at times, media sources have been strategically biased in the public messages they report (Delaney & Eckstein, 2008; Mason & Buist, 2013). Considerably less scholarly attention has been paid to the use of new media (e.g., personal websites and blogs, Facebook, Twitter) as a tool to promote one’s favor or disfavor of a stadium subsidy. One exception comes from Norman, Ventresca, Szto, and Darnell (2015): in their investigation of blog posts centered on the relocation of the New York Islanders from Nassau County to New York City’s Brooklyn borough, the authors noted that blogs are an effective
medium for, among other things, transmitting information otherwise absent from or ignored by traditional forms of media.

Lastly, citizens may assemble to participate in rallies or stage protests to complement other techniques. When these methods are ineffective, citizens may elect to take unlawful action, with practices ranging from civil disobedience to the destruction of public and private property. In 2009, over 100 ratepayers in Dunedin withheld payments in protest of the city’s local stadium project (discussed below). As discussed in the introduction, Brazil was the scene of large demonstrations in the days and months leading up to the World Cup. In one news account, São Paulo was described as a ‘scene of protests, street fires and teargas’ (Watts, 2014, para. 1).

As demonstrated above, there are clear examples of citizen participation in public stadium deliberations around the globe. However, the extent to which citizens can participate in such decisions often depends on a given state’s system of democratic governance. Additionally, citizens who participate in political matters may find their efforts to be futile, as growth regimes, the absence of a referendum, or the lack of public forums may supplant efforts to promote or block a public stadium project. These factors vary widely by case, as do the finance mechanisms utilized to construct or renovate major sports stadiums. In the following section, we illustrate the similarities and differences existing within and between cities, states, and democratic systems of the world.

3. Case Studies

3.1. Overview of the Case Studies

Each stadium case is distinct, as are the processes through which these projects are financed (Santo, 2010). Furthermore, no two democracies are alike. Despite these variables, some characteristics of publicly funded sports stadiums are nearly always constant: they come
with large costs, a substantial portion of those costs are borne by the public, and this public cost can become a source of political contentiousness. In this section, we explore the functions of democracy, local citizens, and policymakers in stadium finance decision-making across four regime types.

A collective case study approach is employed, in which multiple case studies were examined concurrently to evaluate the incidence of democratic participation in public stadium cases around the world. Collective case studies are particularly beneficial when examining similarities and differences. Additionally, when compared to single case studies, collective case studies enhance researchers’ ability to generalize the results (Johnson & Christensen, 2008). Cases have been selected based on multiple criteria, including the availability of academic and/or press coverage of each case, the expected representativeness of a case relative to the larger state or region in which it is located, and researchers’ institutional proximity to the respective cases.

Each component of the collective case study is guided by a framework of three broad questions:

1. To what extent are citizens involved in decisions related to publicly funded stadiums?
2. From what sources are public moneys generated?
3. How does the role of democracy change across regime types?

Below, the case study is organized into four regime types: full democracies, flawed democracies, hybrid regimes, and authoritarian regimes. These regime types are based on classifications of 165 nation–states and two territories set by The Economist Intelligence Unit, which released its 10th edition of the Democracy Index in 2018. The Democracy Index’s classification system is based on 60 indicators organized into five broad categories: electoral process and pluralism (e.g., universal suffrage, equal and transparent campaigning opportunities, access to public office), civil liberties (e.g., free electronic and print media; no torture used by state; no significant
discrimination based on people’s race, color, or religious belief), the functioning of government (e.g., effective systems of checks and balances, public confidence in government and political parties, low corruption), political participation (e.g., voter turnout, women in parliament, adult literacy), and political culture (e.g., societal consensus and cohesion, perception of military rule, degree of popular support for democracy). Examples of each of the four regime types are discussed in turn below.

3.2. Full Democracies

The Democracy Index defines full democracies as those ‘in which not only basic political freedoms and civil liberties are respected, but which also tend to be underpinned by a political culture conducive to the flourishing of democracy’ (The Economist Intelligence Unit, 2018, p. 64). Additionally, full democracies are marked by a strong functioning government, an independent and diverse media, an effective system of checks and balances, and an independent judiciary with the authority to enforce its decisions. As noted previously, only 19 states were classified as full democracies in 2017, the majority of which are located in Western Europe and Australasia.

3.2.1. New Zealand

New Zealand is a unitary state (i.e., a state in which local powers are conferred by central government). Auckland, the country’s largest city, holds about one-third of the population. The main spectator sports are rugby union, cricket, rugby league, netball, and football. The largest and costliest stadia are those designed for rugby union. According to Richardson (2012) there has been significant investment into stadia since 1997, with 63% of the total expenditure (or almost $507 million) coming from local, regional, and central government. Most of the recent stadium developments have been undertaken in regional centers as a result of the Rugby World
Cup held in 2011 and have been largely financed by local governments (Richardson, 2012). The redevelopment of the event’s main stadium, Eden Park, was underwritten by a central government contribution of about $132.5 million (Hall & Wilson, 2011) amid controversy that a new stadium should be built on the city’s waterfront.

The small city of Dunedin undertook the most ambitious and costliest of these projects, a new indoor waterfront stadium called Awatea Street Stadium (later renamed Forsyth Barr Stadium). Of the total construction cost of about $156 million, all but $5.6 million came from government sources with the bulk coming from the Dunedin City Council ($113.8 million), Otago Regional Council ($26.5 million), and central government ($10.5 million). The project would cost $1,075 for every city resident—proportionately equivalent to a city of one million people agreeing to spend $1.1 billion on a sporting facility. Private sector contributions for the new stadium, promised to be $31.7 million, never eventuated, with just $473,000 going toward the cost of the build (PwC, 2012). Policy processes associated with the Awatea Street Stadium were researched and documented as events unfolded from 2004–2012.

The significance of the case lies principally in the questions it raised regarding the city’s use of consultants (Sam & Scherer, 2006), the design of participation and consultation processes (Scherer & Sam, 2008), and the ways in which local government used its council-owned companies to deflect public criticism (Porter & Sam, 2013). The city’s contracting of a self-appointed group of businesspersons with ties to the proposed land purchase (which also included company directors of construction companies) rendered the ‘independent’ feasibility studies and cost-benefit analyses both inaccessible and beyond public criticism. At the same time, the financing structures for the stadium were opaque to the majority of elected councilors and the public, enabling the city to win court battles against citizen groups attempting to halt the process.
The case is ultimately notable because of the protests that occurred as a result of the proposed project and its funding, as well as for the strategies proponents undertook to undermine debates (Sam & Scherer, 2011; Scherer & Sam, 2011).

More recent deliberations are taking place in Auckland around the rationalizing of sports stadia and the possible moth-balling of Mount Smart Stadium, the current home of New Zealand’s professional rugby league team (the NZ Warriors). The franchise’s proposed relocation is the result of estimates that the aging stadium would require a $49-million redevelopment. In addition to the consultation process legally required as part of the Council’s annual planning process, questions of public finance and subsidy feature strongly in media coverage, portending at least some citizen interest in the decisions. Indeed, public unease over a new state-of-the-art indoor stadium in post-earthquake Christchurch is also apparent, given the project’s high cost ($202.5 million) and the $176.7 million required by the city council (Nippert, 2014).

3.2.2. Canada

When it comes to funding sport, Canada shares many similarities to its European and Australian counterparts (Green, 2007). National and provincial governments play a large role in developing and funding Canadian sport, which ranges from local recreational sports offerings to the management of national sport centers (e.g., Canadian Olympic Committee, Coaching Association of Canada). Regarding the latter, the use of public funds to support elite sport development has often been the subject of great controversy (Grix & Carmichael, 2012), leading policymakers to promote a message of public value creation as a means to justify spending on a particularly specialized niche of community sport (Sam, 2011).
Although broad similarities exist between Canadian sport and its equivalents abroad, a number of Canadian cities have teams that compete in North American professional sports leagues, including Major League Baseball, Major League Soccer (MLS), the NBA, and the National Hockey League (NHL). Ties between Canadian teams and their cities are much weaker than those in Europe. As a result, teams can leverage the threat of relocation in order to receive a favorable subsidy from their local governments. At one time, Canada’s professional sports teams were thought to be largely immune from the relocation threat (Schmoll, 2003), but in reality, that has not been the case: in the past 20 years, NHL teams have moved from Quebec City and Winnipeg (although Winnipeg has since regained a franchise) to U.S. cities, as have an NBA team (from Vancouver) and an MLB team (from Montreal) (Kellison & Mondello, 2013).

Much like in the US, public subsidies are a vital component of sports stadium projects in Canada. While the delocalization of professional teams in North America is responsible for some subsidies, a recent report by The Conference Board of Canada noted that few cities have the economic foundations to finance major sports facilities without public money (Hodgson & Lefebvre, 2014). The exceptions are Canada’s three largest cities—Toronto, Montreal, and Vancouver—all of whom had NHL teams that played in privately financed arenas constructed in the 1990s. Most other stadiums, including those of the Canadian Football League and many minor and junior hockey leagues, are financed through public–private partnerships consisting of government (i.e., national, provincial, and local, to varying degrees), team owners, and local business interests (Mason, Buist, Edwards, & Duquette, 2007).

Although the public-finance model is common throughout Canada, public support of stadium subsidies is by no means guaranteed. One source of apprehension relates to past cost overruns. For example, Montreal’s Olympic Stadium, built for the 1976 Summer Olympic
Games, failed to meet its targeted opening date and nearly doubled in cost between the planning and construction phases (Levine, 2003). Another publicly financed stadium, Toronto’s SkyDome (now Rogers Centre), had also been an economic liability to the government, which ultimately led to its purchase by a private firm for about $19.4 million, a reported discount of over 95% (Field, 2006). Despite previous cases of imprudent financial management, policymakers continue to express support for stadium initiatives. As Lee (2002) contended in his case study of Vancouver’s BC Place, ‘stadia can easily become subject to the ambitions of local politicians regardless of the long-term financial implications’ (p. 871). In 2000, Canadian Federal Industry Minister John Manley committed millions of dollars to publicly subsidize the country’s NHL teams. The plan, meant to address imbalances between the Canadian and U.S. dollars, was withdrawn three days later amid ‘gale-force public backlash’ (Schmoll, 2003, p. 1072).

Other examples of democracy-in-action have been highlighted in previous literature. For instance, Lenskyj (2004) reviewed several stadium-related cases in which university students utilized tools of democracy (e.g., referendums, protests) on campuses across Canada and the US. In recognition of the public scrutiny that can accompany a sports-subsidy plan, policymakers who favor public funding have engaged in a number of unique strategies to increase public support (and minimize political repercussions). When officials from the Montreal Canadiens announced their plan to replace the historic Montreal Forum with a new hockey arena, the organization and proponents of the move developed a nuanced public-relations campaign focusing on the benefits of an updated facility as well as assurances that the team’s rich traditions and game atmosphere could be transferred to a new building (Bélanger, 2000).

When stadium-subsidy plans are subject to a vote by citizens, financial details are, in theory, transparent (although even that assumption has been contested; see Fort, 1997). Changes
to the ways in which public stadium plans are formed have reduced this transparency (Santomier & Gerlach, 2012). As Sam and Scherer (2008) observed, local systems of governance in Canada and the United Kingdom have begun to resemble technocracies in which ‘technical forms of knowledge [are emphasized] over political deliberation and public participation’ (p. 56). In other words, legislation developed by third-party experts and enacted by elected officials is replacing traditional forms of deliberative democracies such as town-hall meetings. A similar trend has emerged in the US (Sapotichne & Smith, 2012), as discussed in the next section.

3.2.3. Australia

Australia is a federation of six states and two mainland territories that in turn, preside over local government. The main spectator sports are Australian rules football (AFL), horse racing, rugby league, motor sports, football, and cricket. Australia has a prosperous economy, growing at a rate of 3.5% over the last 15 years. In this environment, subsidies to professional sport ‘have become a pervasive and accepted component in the Australian public policy landscape, with far less scrutiny of policies than would occur in other sectors’ (Wilson & Pomfret, 2009, p. 264). The proliferation of major stadiums constitutes one of the distinctive features of Australian cities in the global context (Searle, Dodson, & Steele, 2011; Wilson & Pomfret, 2014). It was estimated that between 2000 and 2010, the three levels of Australian government (municipal, state, and federal) have spent approximately $1.5 billion on stadium infrastructure (Wilson & Pomfret, 2009).

Searle’s (2002) study is the most detailed work on the financing of stadia in Australia. It documents the rise of stadium upgrades and new construction as a result of the 2000 Olympic and Paralympic Games as well as from the parallel development of professional leagues, such as the AFL in Melbourne and Adelaide. Additionally, it highlights several cases of overestimated
sources of revenue through various partnerships and schemes such as membership ‘floats’ (a kind of shareholding entitling members privileged access to events for a period of time). The implications of this research are of a planning nature, and deal with the consequences of stadia with respect to their impacts on other entertainment complexes, central business district redevelopment, and public transportation.

Given the paucity of literature on stadium financing in Australia, it is perhaps unsurprising that little research exists on the politics of stadium deliberations in this context. Coming closest to the subject is Lowes’ (2004) research into the Victorian government’s acquiescence to the interests of Formula One Grand Prix motorsport and its transformation of urban park space. germane to this paper, the state government demonstrated extraordinary acumen in drafting legislation to prevent oversight and public input into planning while also preventing protesters from accessing public park space. One explanation for the dearth of evidence in relation to citizen involvement in stadium finance issues lies with the political salience of sport in Australian politics. Indeed, professional sport’s mass appeal (and by extension, its non-contentiousness) is demonstrated by political parties promising new stadia as part of their election manifestos (Pomfret & Wilson, 2011).

In this way, Australia is perhaps a global outlier. Despite previous cases of Ministerial resignations owing to stadium cost overruns (Searle, 2002), political parties continue to include stadium funding as part of their manifestos. As Pomfret and Wilson (2011) report, a new stadium was a major issue in the 2010 South Australian election, with both parties promising millions in public investment. Western Australia’s Liberal Party likewise promised a new, world-class 60,000-seat major stadium at Burswood. Insofar as modern electoral politics tends to be risk-averse, the promise to build a new stadium is testament to the wide appeal of this kind of
investment. At the same time, we would be remiss to neglect the importance of the close sport–
media complex in Australia that enables major news outlets to be vocal supporters of public
spending on new stadia (see Pomfret & Wilson, 2011).

3.2.4. United Kingdom

The majority of inquiry on stadiums and democracy has focused almost exclusively on
the financing trends in North America. As such, there is far less scholarly work examining the
financing of stadiums across the globe, and specifically in European states. As discussed
previously, a fundamental difference between teams competing in North American sports
leagues and European leagues is the fact European franchises are less likely to relocate to other
cities. Thus, even the threat of relocation is not readily available as a bargaining tactic often
utilized in North American leagues to secure public subsidies. Consequently, obtaining public
financing for stadiums is challenging relative to North American sport.

Paramio, Buraimo, and Campos (2008) identified four distinct time periods involving
stadium growth in both Britain and Spain, respectively. Each of the designations was deemed a
generation to reflect the encompassing years examined (i.e., 20–30 years). The authors named
the period from the 1990s–present the postmodern era and included defining characteristics such
as the involvement of football governing bodies in regulating specific safety features of stadia
both internally and externally, the need for new revenue streams, innovative technological
advancements, and tourist attractions. While previous generations did see noteworthy
developments related to stadia construction, a focus on the aforementioned fourth generation
appears appropriate.

Baade (2003) noted that European teams are less dependent on subsidies in recent years
compared to the decade of the 1970s. For example, the primary source of revenue for European
professional sports franchises were gate receipts during the majority of the 20th century. In addition to the revenue procured from gate receipts, teams garnered funding from municipalities and corporate sponsors. Consequently, this financing model was referred to as spectators–subsidies–sponsors–local, or SSSL. Additionally, Baade suggested stadium subsidies in Europe were less common than in the US for two reasons. First, it is possible European officials believe that public monies could be better utilized than on professional sports organizations. The second reason could be more philosophical, as American franchise owners may emphasize profits over winning.

Walters (2011) reported that since 1990, 26 football clubs from the Premier League and Football League have relocated to new stadium developments. Considering only two new stadiums were constructed between 1955 and 1990, stadium developments are a recent trend driven by three key factors. First, spectators have been injured, or in some extreme cases, killed, due to safety issues with these aging stadiums. Second, the increasing commercialization of football resulted in the expansion of stadium development including the addition of premium seating. Finally, sport has been seen as a tool to help develop and revitalize desolate urban areas, delivering both social and economic benefits (Walters, 2011).

The 2012 Olympic and Paralympic Games in London represented the United Kingdom’s largest and most expensive peacetime event in recent history. Despite the fact the event was largely considered successful, in regions including East London where the Games were staged, several anti-Olympic protests were staged (Giulianotti, Armstrong, Hales, & Hobbs, 2015). In Giulianotti et al.’s analyses of community held meetings scheduled before, during, and after the Olympic and Paralympic Games, several prominent themes emerged, including the primary
source of citizens’ discontent: spiraling public costs, which began around $3.3 billion and rose to nearly $13 billion as updated assessments were released.

In summary, full democracies are characterized by the traditional hallmarks of democratic states, including free and fair elections and the complete protection of civil liberties. Between the states classified as full democracies, the largest differences exist in political participation and political culture. Still, with few exceptions, political participation and political culture in these states are higher than those in the other regime types. The wide range of examples discussed in this section illustrate the full extent to which citizens may engage in public stadium debates. Relative to other regime types, citizens in full democracies have at their disposal the broadest array of participatory tools ranging from attending public meetings to engaging in full-fledged protest. High levels of political apathy or low levels of political efficacy may lead some citizens to withdrawal from the democratic process (Kellison, 2016), but full democracies are typically empowered and encouraged to exercise their democratic rights. As argued by The Economist Intelligence Unit (2018), ‘a culture of passivity and apathy—an obedient and docile citizenry—is not consistent with democracy’ (p. 63). As continued below, expressions of democratic participation are visible across regime types, but they become significantly less frequent and varied as political system approaches authoritarianism.

3.3. Flawed Democracies

Like full democracies, flawed democracies employ free and fair elections and civil liberties, but there may be ‘significant weaknesses in other aspects of democracy, including problems in governance, an underdeveloped political culture and low levels of political participation’ (The Economist Intelligence Unit, 2018, p. 64). Flawed democracies are the most common regime type and exist in every region of the world.
3.3.1. Korea

The Republic of Korea is among Asia’s most competitive states in international athletic competitions such as the Olympic Games (Seo, 2012). Furthermore, domestic sports leagues such as the Korea Professional Football League (K-League), Korea Baseball Organization (KBO), Korean Basketball League (KBL), and Korean Volleyball League (V-League) continue to rise in popularity (Choi, Yang, Jeong, & Kim, 2012). Based on the popularity of Korean professional sports leagues and international competition, there is strong demand (from both sports organizations and sports fans) for state-of-the-art training centers and major sports facilities.

Democratization was a crucial concern of Koreans in the late 1980s and the early 1990s due to the state’s extensive and rapid economic development throughout the 1970s and 1980s (cf. Hao & Gao, 2016). The democratic reform of politics and government was supported by many Koreans, including middle-class workers and college students. As a result of this democratic movement, Koreans achieved direct presidential elections and the revival of the local autonomy system. While Korea’s local and semi-autonomous system of governance has been compared to that of the US (Choi, Choe, & Kim, 2011), the role of citizens has historically been less noticeable when it comes to the construction of most of the major sports leagues’ current venues. Many of these facilities were constructed in the 1980s and 1990s and were led by the central government rather than by provincial governments, suggesting the role of local governments in these cases was relatively weak and local citizens had little influence in these decisions. More recently, many stadiums have been financed through public–private partnerships, with the clubs and local and central governments each paying a portion of the construction or
renovation costs. For the most part, KBL and V-League arenas were constructed by local
governments with some assistance from the central government. On the contrary, most of the
modern K-League stadiums were financed by the central government because they were
originally constructed as part of the 2002 FIFA World Cup, which carried substantially higher
costs for construction and supporting infrastructure (Choi et al., 2012).

Given that Koreans are free to voice their opinions and interests, citizens continue to
express their desire for new sports venues in the country’s most popular leagues, particularly the
KBO. To reflect the popularity of the league and citizens’ calls for new facilities, many
policymakers have campaigned with the promise of new sports facilities after their successful
election (Ryu, 2009), a strategy shared by their political counterparts in Australia. In Korea,
pledges to build new stadiums have not been limited to local, provincial governments; in
addition to local mayors, congressional leaders and public officials in the central government
have also identified stadium constructions as an important policy issue. This common interest
has resulted in the cost-sharing of several recent KBO stadium constructions between local and
central governments.

In general, local governments in Korea have little autonomy when it comes to financing
large capital expenditures. Like Canada, public officials have argued that Korean cities lack the
tax base to support major construction projects. This lack of economic independence has been
exacerbated in large part to taxation restrictions:

Local governments have little authority to increase tax revenues to meet their financial
needs. The Constitution of Korea explicitly stipulates that tax items and rates must be
determined by laws enacted by the National Assembly. This means that local councils
can neither introduce new taxes into their tax system nor change local tax rates. (Choi et al., 2011, p. 26)

While some local governments (e.g., the US) support stadium projects by increasing local taxes, local governments in Korea are only able to obtain additional financial resources after drafting a revised supplementary budget based on the financial structure of the local government along with the central government’s assistance. As discussed previously, the emergence of public–private partnerships is one way in which policymakers have reconciled the public affinity for professional sports with the economic realities of local government. For instance, the cost of the Kia Tigers’ new $93.6-million ballpark in Gwangju was split between the team ($31.2 million), local government ($43.7 million), and central government ($18.7 million)(Chul, 2010), as was the Samsung Lions’ $152.6-million stadium in Daegu ($50.9 million from the team; $71.2 million from local government; $30.5 million from central government; Park, 2011).

3.3.2. United States

Since 2005, more than 40 professional sports stadiums in the US have been planned, constructed, or renovated across MLB, MLS, the NBA, the NFL, and the NHL (Center for Sport and Urban Policy, 2018). The total cost of these projects has exceeded $26 billion, with public subsidies accounting for more than $12.6 billion. Debt financing may come from a variety of sources, including the sale of government assets, ticket surcharges, property taxes, income taxes, sports district taxes, food and beverage taxes, gaming taxes and lotteries, player income taxes, excise taxes (i.e., taxes on alcohol and tobacco sales), sales from commemorative bricks or license plates, and indirect sources such as land donations, infrastructure improvements, and tax abatements (Brown, Rascher, Nagel, & McEvoy, 2010; Winfree & Rosentraub, 2012). In cases of revenue shortfalls, municipalities may need to reduce spending on civil services in order to
pay down stadium debt from its general fund. Tax-increment financing (TIF) and payments in lieu of taxes (PILOTs) have also emerged as popular techniques to fund a number of facilities. Revenues generated from TIF are based on the added economic value of nearby properties as a result of a stadium. TIF has been applied in cities using stadiums to anchor downtown revitalization projects or sports district developments, including Baltimore (Hamilton & Kahn, 1997), Cleveland (Austrian & Rosentraub, 1997), and San Diego (Chapin, 2002). Like TIF, PILOTs are contingent on a stadium’s and surrounding developments’ success in generating revenues. Consequently, if predicted revenues are overestimated, stadium owners must find other ways to repay the debt. For instance, policymakers in Harrison, New Jersey, were forced to borrow from the city’s municipal tax collections to service its $84-million debt for Red Bull Arena after revenues from surrounding shopping and condominium developments failed to materialize (Varghese, 2011).

Given the incidence and magnitude of Americans’ investment in sports stadiums, researchers interested in public stadium finance have focused much of their attention on U.S. cities. In some municipalities, referendums are required by law before taxes can be increased or bonds issued, and although the decision to subsidize sports stadiums sometimes occurs at the ballot box, the vast majority of subsidy decisions are made by elected officials (Kellison & Mondello, 2014). In either case, citizens’ attitudes toward a stadium plan are informed by a number of factors, including the supposed economic impact, proximity of their home to the proposed building site, and the manner in which the plan is portrayed in the local media (cf. Buist & Mason, 2010; Horn, Cantor, & Fort, 2015; Phelps, 2010; Siegfried & Zimbalist, 2000). When citizens are not afforded the opportunity to vote on the issue, they may engage in other forms of democratic participation, many examples of which were summarized in the first two
sections. Still, the absence of a public vote can cause citizens to question the transparency of the democratic process; in fact, in recent financing cases in Glendale, Arizona, and Washington, DC, policymakers have been accused of clandestineness and deliberately suppressing the voice of critics (Kimes, 2014). Additionally, in Cobb County, Georgia, where the Atlanta Braves recently opened a new ballpark to replace a stadium less than 20 years old, a scientific poll of voters indicated that although a slim majority supported the subsidy plan, 78% of respondents believed the issue should have been placed on a referendum (Tierney, 2014).

While most examples are based on political participation in response to a specific stadium-subsidy case, citizens and policymakers have also preemptively introduced legislation in anticipation of future issues. In 2006, Seattle voters passed a ballot measure banning public stadium subsidies in the city (Kowal, 2006). In addition to the democratic participation of citizens in public stadium cases, policymakers at all levels of government have also proposed various legislation in response to criticism about public stadium subsidies. In 1999, the U.S. Senate held hearings to evaluate whether the NFL and MLB’s antitrust exemptions should be modified so as to reduce the ability of teams to threaten relocation and subsequently receive subsidies for new or renovated stadiums (Greenberg, 2000; Stadium Financing, 1999). In then-President Barack Obama’s proposed budget for fiscal year 2016, he outlined a plan to ‘repeal tax-exempt bond financing of professional sports facilities’ (Office of Management and Budget, 2015, p. 167). Although this proposal was never expected to receive congressional approval, it raised attention among both legislators and the electorate, prompting further discussion that could lead to the eventual passage of comparable legislation (Temple-West, 2015). Most recently, Obama’s proposal was reaffirmed by President Donald Trump who asked, ‘Why is the NFL getting massive tax breaks…? Change tax law!’ (Trump, 2017). Additionally, in late 2017,
an initial draft of the Tax Cuts and Jobs Act included language that prohibited tax exempt bonds for professional sports stadiums (Tax Cuts and Jobs Act, 2017), but the section was removed from the final bill signed into law by Trump in December 2017. Public participation in the debate on stadium finance has a long history in U.S. politics. As shown below, although some states have shorter histories of democracy and major sports stadiums, their citizens may nevertheless engage in the political process.

3.3.3. South Africa

A number of African and South Asian states have endeavored to use mega-events as catalysts for new (or renewed) economic growth (Whitson & Horne, 2006). For example, India hosted the Commonwealth Games in 2010, while Nigeria unsuccessfully bid for the 2014 Commonwealth Games. Perhaps nowhere represents a clearer example of a country’s effort to use a mega-event as a platform for political and economic growth than South Africa. The state experienced failed bids for both the 2004 Olympic and Paralympic Games and 2006 FIFA World Cup before being awarded the 2010 World Cup. A report prepared by Sport and Recreation South Africa (SRSA, 2011) noted that the national government committed $2.5 billion to major infrastructure investment projects for the World Cup, of which over $1 billion was allocated to stadiums and precinct development. Five new stadiums were built, while an additional five were upgraded. Solberg and Preuss (2015) argue that the costs of these venues were 16 times higher than what had been initially budgeted in the bid book. Solberg and Preuss add that one of the major reasons for the cost overruns related to the extension of the objectives for hosting the event was to demonstrate South Africa’s emergence from its apartheid past, a strategy in line with the ‘coming out party’ analogy discussed previously.
On the surface, hosting a major international competition is expected to evoke feelings of national pride in citizens. In reality, however, the decision to bid on (and the subsequent decisions associated with hosting) a mega-event is often met with resistance. The case of Cape Town Stadium, a 55,000-seat facility that hosted several World Cup matches in 2010, including a semi-final, is an illustrative example. As discussed by Swart and Bob (2009), much of the controversy focused on changes made to city plans after South Africa’s bid to host the World Cup was accepted. In the bid book, Newlands Rugby Stadium was presented as Cape Town’s competition venue, while an upgraded Athlone Stadium, located in an historically underserved section of the city, would serve as a practice facility. While there was no mention of a venue in Green Point, a wealthy suburb near the city center, officials ultimately decided to construct the primary competition stadium, named Cape Town Stadium, there.

In early 2006, the local and provincial governments requested changes to the original plan, including the use of Athlone Stadium as a competition venue (Swart & Bob, 2009). The impetus behind this change was that the upgrading of Athlone Stadium could catalyze infrastructural development projects in an area that had historically higher levels of unemployment and poverty than Newlands (‘Green Point gamble,’ 2007). Amid pressure from both FIFA and the local organizing committee, the Western Cape government and the City of Cape Town ultimately chose to redevelop a stadium in the city’s Green Point Common as the primary competition venue (Alegi, 2008). The City Manager acknowledged that the decision-making process regarding venue selection in Cape Town was extremely complex and faced legal challenges raised by the Green Point Common Association, who objected to the upgrading of the stadium for 2010 based on negative environmental impacts, among others (‘Green Point gamble,’ 2007). The City Manager further underscored that Green Point was the ‘only viable
alternative within the non-negotiable timeframes’ set by FIFA (City of Cape Town, 2007, p. 1). Entangled in this controversy was FIFA’s objection to the low-cost housing around Athlone Stadium, which would provide less appealing optics when shown on television (‘Green Point gamble,’ 2007). Green Point, conversely, could enhance the international profile of Cape Town and South Africa to a much greater extent.

After mega-events conclude, a major challenge for municipalities is how best to manage these stadia (Cornelissen et al., 2011). In many cases, local municipalities are ill equipped to pay for ordinary operating expenses and facility maintenance, especially considering the fact national governments often provide the bulk of the funding for their construction. Thus, public stadium financing is particularly contested given the other priorities in developing states, as illustrated by the many protests that surfaced in Cape Town, Johannesburg (Tau, 2009), and Durban (Veith, 2010). The maintenance costs in the aftermath of hosting a mega-event can be even more challenging. In South Africa, city officials have endeavored to develop a business model so Cape Town Stadium can become financially viable. Additionally, the City has instituted a legislative process that includes ‘an extensive public participation process’ (City of Cape Town, 2012, p. 16). This process includes informing residents of events occurring in and around the stadium and notifying them of impending issues such as traffic and road closures.

3.3.4. Brazil

Relative to other regions of the world like North America, research on public stadium financing in South America has been largely absent in the literature. An exception is Brazil, where increasing public attention is undoubtedly due to the state’s successful bids for the 2014 FIFA World Cup and 2016 Summer Olympic and Paralympic Games. In recent years, there has been increasing competition by emerging states, especially BRICS (Brazil, Russia, India, China,
and South Africa) states, to bid for, and host mega-events such as the Olympic and Paralympic Games (e.g., Sochi 2014, Rio 2016) and the FIFA World Cup (e.g., South Africa 2010, Brazil 2014, Russia 2018). The underlying strategy of BRICS states (and by extension, other emerging states) in hosting mega-events is the notion of a ‘coming-out party’ (Tomlinson & Bass, 2012). Mega-events have specifically been used to position states closer to a globalization agenda, both in relation to economic development and from an image-enhancement perspective (Cornelissen, Bob, & Swart, 2011).

A democratic Brazil emerged from authoritarian rule in the 1980s, and its successful bids for the 2014 FIFA World Cup and 2016 Olympic and Paralympic Games were seen as opportunities for celebration and growth (Romero, 2014b). Though initial media coverage highlighted the potential economic windfall that could result and the fact it would be the first time an Olympic and Paralympic Games would be held in South America, the rhetoric largely shifted in focus to the citizen protests that had arisen there. In light of the estimated $15 billion cost to host the World Cup, many Brazilians expressed criticism that funding the mega-events were prioritized over necessary civic programs and infrastructural improvements (Matheson, 2014; Romero, 2014a). This displeasure was expressed through a number of ways, including street art and protester signage (e.g., Ericson, Huang, & Peçanha, 2013). The protests sparked a wider movement in which citizens targeted more mainstream issues such as political corruption and high taxes (Romero & Neuman, 2013).

In response to the well-organized demonstrations that took place across Brazil in the days and months leading up to the World Cup, President Dilma Rousseff proposed several reforms to address public concerns (Phillips, 2014). While some noted that the protests were simply a reaction to an opaque and undemocratic government, others viewed the concessions as evidence
of Brazil’s strong participative democracy (‘Brazil’s Protests,’ 2013). The long-term impact of the Brazil protests is revisited in the concluding section.

On the surface, flawed and full democracies bear strong resemblances, but flawed democracies are marked by lower levels of government functionality (characterized by, e.g., ineffective systems of checks and balances, undue influence from the military or foreign governments, high levels of corruption, low public confidence; The Economist Intelligence Unit, 2018). Perhaps for that reason, many of the examples discussed in this section demonstrate anger.

3.4. Hybrid Regimes

A hybrid regime resembles a democratic state but suffers from ‘serious weaknesses [that] are more prevalent than in flawed democracies’ (The Economist Intelligence Unit, 2018, p. 64). While hybrid regimes exist in all regions of the world except North America and Western Europe, they are most prominent in Eastern Europe, the Middle East and North Africa, and Sub-Saharan Africa. Though not necessarily the case in every state, many hybrid regimes are characterized by limited levels of media freedom. In addition to leaving many governmental actions unchecked and limiting the accountability of leaders, citizens in states with unfree or largely unfree media ‘do not have access to a free or partially free media and are prevented from exercising their right to freedom of conscience and expression’ (The Economist Intelligence Unit, 2018, pp. 37–38).

While those in power of hybrid or authoritarian regimes may downplay the degree to which their citizens’ rights are restricted, they may nevertheless show eagerness to allay concerns of undemocratic practices to other states and sports federations. For example, as a bidding nation and one of two finalists to host the 2026 FIFA World Cup, Morocco, a hybrid
regime that ranked 101 of 167 states in the 2017 Democracy Index, argued the World Cup represented a chance for the government to promote the significant reforms Morocco had recently undertaken:

The Morocco 2026 bid [offers] an opportunity to highlight lesser-known aspects of a country on a journey of significant change. Morocco has initiated major political, economic and social reforms, responding to developments within an unstable international climate, with the aim of harnessing economic potential and meeting the changing aspirations of a younger generation.

A new constitution was adopted in 2011, with new guidelines favouring the development of democratic processes, human rights and regionalisation. (Moroccan Football Association, 2018, p. 39)

Media reporting inside Morocco did not detail much opposition to the bid. But, as has been the case with other hybrid and authoritarian regimes, pressure from other influential states mounted. Much of this pressure stemmed from territorial conflict between Morocco and Western Sahara, and football federations from South Africa and Namibia (both classified as flawed democracies) cited this conflict in their decisions not to back the Moroccan bid (Associated Press, 2018). As reported by FIFA, who released the results of the 2026 World Cup vote in response to allegations of corruption and demands for greater transparency following the successful bids of Russia and Qatar, support for Morocco’s bid came mainly from members of the African football confederation (Das, Andrews, Singhvi, & Ward, 2018). The rejected bid was Morocco’s fifth attempt to host the World Cup (Panja & Das, 2018).

In theory, states in which political participation is limited, censorship is persistent, the media is state-owned or tied to the ruling party, or independent journalists are frequently
harassed can more easily expend capital on sport-related infrastructure, as public opposition is unlikely to organize in any meaningful way. But, due in part to the lack of an independent media, news reports on state-led investments may be unreliable. Additionally, while not an attribute of all hybrid regimes, many exist in developing states and emerging economies. Without a strong economic foundation on which to build sport programming and facilities, these hybrid regimes may rely on more economically developed states for the capital necessary to build infrastructure. As discussed further in the next section, this characteristic may tie hybrid regimes and authoritarian states.

### 3.5. Authoritarian Regimes

In authoritarian regimes, ‘some formal institutions of democracy may exist, but these have little substance’; authoritarian regimes may also be ‘outright dictatorships’ (p. 64). Over 50% of the world’s population lives in hybrid or authoritarian regimes. One such authoritarian regime, China, has invested heavily in its own sports programs and facilities. As a result of this investment, less than 15 years after it hosted the Summer Olympic and Paralympic Games, Beijing will be the setting of the 2022 Winter Games. Additionally, China has used sport as a tool to establish or enhance diplomatic relations with other states by allocating billions of dollars in foreign aid to construct sports stadiums around the world (Will, 2012). China’s so-called ‘stadium diplomacy’ practices have been used to construct more than 85 sports facilities around the world, including in hybrid regimes such as Benin, Tanzania, Kenya, and Mozambique and authoritarian regimes like Angola, Gabon, and Laos (Kellison & Cintron, 2017). As discussed in the previous section, each of these states are classified as either ‘largely unfree’ or ‘unfree’ (The Economist Intelligence Unit, 2018), leaving citizens either unable to exercise their support or opposition to such spending, or wholly unaware such arrangements exist in the first place.
It is clear that when it comes to proposing spending on sport infrastructure, policymakers are more likely to be held in check in democratic states. For example, an analysis by Könecke and de Nooij (2017) observed that organizers in Spain, Sweden, Norway, the US, Italy, and Hungary—all full or flawed democracies—canceled recent Olympic bids because of public and political pressure. The authors argued that a bid initiated by a democratic state is often accompanied by high levels of uncertainty because of the threat of elections, referendums, and public criticism; on the other hand, once a bid is announced by an authoritarian state, it is likely to be withdrawn because the bidding process ‘only comprises one major decision process involving only a rather small number of relevant stakeholders’ (p. 7). As current bid interests have begun shifting away from democratic states, some scholars have predicted a rise in the occurrence of mega-events in authoritarian states: ‘…Voters in rich, industrialized cities are exercising the right to say no to the Olympics. There is no shortage of autocratic rulers, though, who might be willing to spend the money they have squeezed from their people in order to experience the ego-boost of hosting the world’s biggest sporting event in their own back yard’ (Matheson, 2015, para. 11). Furthermore, according to Makarychev and Yatsyk (2017), there does not appear to be an effort on the part of sport governing bodies like FIFA to limit its events to democratic states: ‘FIFA itself de factor encourages sovereign authoritarianism—thus, its Secretary General Gerome Valcke has overtly claimed that a lack of democracy is by no means a hindrance when organizing major tournaments and championships’ (p. 485).

Heads of state in authoritarian regimes often face little recourse from domestic opponents, but they may attract criticism from other policymakers, foreign media, sponsors, and activist groups from democratic states. As argued by Petersson, Vamling, and Yatsyk (2017) ‘When the hosting of Olympic Games has been awarded to a site in an authoritarian state, the
global community has unquestionable moral responsibilities to live up to, in the decision phase as well as during the preparations, during and after the Games’ (p. 457). For instance, in recent years, reports have surfaced of human rights violations tied to sport infrastructure development and mega-event preparation in China (Human Rights Watch, 2008), Russia (Longman, 2017), and Qatar (Conn, 2017). In some cases, international outcry has prompted sport governing bodies and host nations—fearful of sponsorship withdrawals and diplomatic backlash—to act. In 2017, for example, FIFA announced the creation of a Human Rights Advisory Board made up of representatives from the United Nations, trade unions, academic institutions, and FIFA sponsors (Fédération Internationale de Football Association, 2017). This response suggests that as authoritarian regimes continue to grow their sporting and international profiles, they may be forced to reckon with the soft power of strong, influential democratic states.

4. Concluding Remarks

Stadium projects around the world regularly utilize government subsidies as primary or supporting funding sources. The collective case study presented in this article illustrates how the sources for such subsidies may differ across contexts and states, as does the degree to which citizens engage in the decision-making process. When stadium projects are initiated with the intent of hosting an international mega-event, the central government frequently contributes a great deal of capital toward a project. In states like Korea, Australia, and Canada, subsidies from central and/or provincial governments can also be important funding sources for professional sports stadiums. In places like the US, on the other hand, municipal governments typically provide the largest portion of public subsidies.

Though differences exist in the financing mechanisms, the cases examined in this study share clear examples of citizens engaging in democratic deliberation. The observation of town
forums and citizen demonstrations in several case-study regions suggests the tools of public participation are available and utilized by citizens living in democratic states. Based on several cases in this study, however, the efficacy of these democratic actions is less certain. Efforts by citizens in Victoria, Australia, to protest a sports development were actively suppressed by elected officials. Professional teams in North America continue to leverage threats of relocation in order to maximize stadium subsidies, despite attempted legislative intervention and increased public scrutiny of this strategy. Calls by South Africans for more government transparency and tempered public spending went largely unheeded during the World Cup. Brazilians echoed these concerns, which quickly escalated into unlawful (and undemocratic) protests. Clearly, these cases demonstrate that some citizens have grown uneasy with the perceived lack of democratic governance related to public stadium projects and mega sporting events.

Although some citizens in the aforementioned states may be dissatisfied by their perceived lack of influence in the political process, they may be contributing to broader, longer-term democratic reforms. For example, Barack Obama’s 2016 budget proposal to dis incentivize stadium subsidies was not in response to a particular stadium case, but rather a long history of cases throughout the US. In South Africa, Capetonians, while unable to change the decision to construct a World Cup stadium in Green Point, led local officials to improve the information-sharing process between citizens and government. Finally, the Brazil protests, coupled with the defeat of multiple Olympic-bid referendums in European cities, prompted several mainstream media reports to question whether the World Cup and Olympic and Paralympic Games would ever be held in a democratic state after Brazil (Chandler, 2014). These examples suggest that although individual citizens may find themselves to be limited in their capacities to effect policy at the local level, their efforts may instead provoke larger, more widespread change.
In our selection of cases reviewed, we acknowledge this collective case study approach is not exhaustive. The regime types on which we focused contain many examples of publicly financed stadiums, with some existing in democratic states and others in non-democratic states. Instead, the cases selected for this study are largely reflective of the academic literature on public stadium finance and democracy. For example, full and flawed democracies both provided a number of examples from which to choose, as stadium-finance issues in North America and Australasia have and continue to be of great interest to scholars. Decidedly less work has been conducted in Africa and Asia, which explains why case studies there focused on South Africa, Morocco, and Korea, rather than the continents at large. It is also worth noting that this study is not meant to explain how stadiums are financed or how democracies operate. Instead, the cases explored in this study provide an illustration of how citizens participate in public stadium debates.

Readers will likely recognize that the number of cases discussed in each section decreased as the regime type became less democratic. This occurrence is perhaps the most effective illustration of the stark contrasts between these democratic categorizations. It is unlikely the case that hybrid and authoritarian regimes have fewer publicly funded sports facilities; instead, the lack of a free and independent media means less transparency and public awareness (both domestically and internationally) of these issues.

The public stadiums analyzed in this study represented a wide range of funding mechanisms and purposes. That is, while the influence of public support or opposition varies by regime type, the underlying *reasons* for support or opposition are case-specific. Additionally, even within similar regime types, government systems function differently. These potential differences are particularly evident in the US, where differences in taxation laws, the preferences
of local policymakers, and the strength of local growth coalitions can explain why two stadium proposals in the same city can be subjected to contrasting democratic procedures (e.g., legislation vs. referendum). Therefore, while this review provides a summary of the different ways in which the views of citizens are expressed in both democratic and non-democratic states, we acknowledge the possibility that stadium debates occurring in fully democratic states can still play out like those in authoritarian regimes (and vice versa).

Other democratic states are worthy of scholarly attention, as are some of the world’s largest and most powerful states, including Russia and China. While far from being considered democracies, each has invested heavily in professional and international sport. Additionally, further inquiry is needed to uncover the strategies that best promote citizen participation and representativeness in the policymaking process. Although an active citizenry might present challenges for policymakers and partisan interests, such engagement is paramount to the democratic process (Held, 2006).

The purposes of this review were to highlight the incidence of public financing across different democratic types and to illustrate the myriad degrees to which citizens can influence decision-making when it comes to public stadium cases in democratic societies. The results of the collective case study support the broad conclusion that in a fully democratic society, citizens have at their disposal a number of tools to express their favor or disfavor of a stadium-subsidy plan, but in practice, many of these democratic tools are not accessible. More specifically, public participation may be limited because of apathy, lack of knowledge, or active suppression. On the other hand, heads of state in authoritarian systems of government are not immune to the influence of democracy, as they may face pressure from foreign states, independent media, and sport governing bodies. Previous research has tended to focus on issues such as economic impact.
and referendum outcomes, and few studies have explored public participation and stadiums from multiple geopolitical perspectives. As demonstrated herein, when it comes to stadium-subsidy deliberations in democratic societies, the policymaking process rarely plays out without controversy, and this reality exists across regions, histories, and traditions.
References


doi:10.1017/jea.2016.2


Hall, C. M., & Wilson, S. (2011). Neoliberal urban entrepreneurial agendas, Dunedin Stadium and the Rugby World Cup: Or ‘If you don’t have a stadium, you don’t have a future’. In D. Dredge & J. Jenkins (Eds.), *Stories of practice: Tourism policy and planning* (pp. 133–152). Burlington, VT: Ashgate Publishing Ltd.


Trump, D. J. [realDonaldTrump]. (2017, October 10). *Why is the NFL getting massive tax breaks while at the same time disrespecting our Anthem, Flag and Country? Change tax law!*
[Tweet]. Retrieved from https://twitter.com/realDonaldTrump/status/917694644481413120


For the purpose of consistency, all cost figures have been converted to USD based on U.S. Treasury Rates of Exchange as of March 31, 2018. Conversion equivalents of US$1 are as follows: C$1.2880 (Canada); R3.3050 (Brazil); £0.7120 (United Kingdom); €0.8110 (eurozone); AU$1.2990 (Australia); NZ$1.3810 (New Zealand); W1061.0500 (South Korea); R11.8230 (South Africa).

Although there were no public costs reported for the Air Canada Centre (Toronto), the Bell Centre (Montreal), and Rogers Arena (Vancouver), there were likely some public costs associated with the construction, operation, and maintenance of each. See Long (2013).