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The World Cup and Millennial Capitalism

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The recently held 2010 FIFA World Cup has been touted by politicians and the media as a success for the country and the continent. The seamless hosting of the event fostered a feeling of national pride that was accompanied by enthusiastic support by all. Undoubtedly, the 2010 World Cup will be remembered by all who participated in the festivities as a resounding success. However, as the excitement fades, reality returns. The reality is that multibillion-rand stadiums, too large for domestic requirements, straddle some of the world's most notorious slums. The reality is that the roads have been upgraded, and the city centres cleaned up, however basic healthcare is still inaccessible to most of the country, and the education system is in dire need of urgent reform. How did it come to be that a project so far removed from the urgent needs of the country was undertaken?

I argue that the promotion of mega-events such as the 2010 FIFA World Cup is a phenomenon of millennial capitalism. Mega-events such as the 2010 World Cup fulfil the salvation promise of millennial capitalism in that they offer the hope of de-marginalisation through promised economic prosperity and a sense of relevance that accompanies participation in a spectacle of global scope.

What is Millennial Capitalism?

Millennial capitalism, as described by Jean and John Commaroff, is an anthropology which seeks to understand the increasingly evident dichotomies of the contemporary world. In essence, it reveals the stark differences between the world's rich and the world's poor and "the exuberant spread of innovative occult practices and money magic, pyramid schemes and prosperity gospels"¹ – enchantments, which "according to Weber and Marx, would wither away".²

According to millennial capitalism, globalisation's "ever more rapid flow of

value, across time and space” has resulted in the removal of production to places where “labor is cheaper and less assertive”³. The effect of this shift in the place of production has meant that consumption has assumed a role of central importance in popular discourse, transforming itself from “hallmark disease of the eighteenth and nineteenth centuries, of the First Coming of Industrial Capitalism” to the contemporary “hallmark of modernity”⁴.

Furthermore, as a result of internationally competitive pricing, states no longer possess the tools to directly regulate employment within their borders. As a result, states themselves become privy to the demands of capital and foreign direct investment which are seen as the carriers of employment and growth. It is from this analysis of the phenomenon of millennial capitalism – as the championing of consumption as society's saviour and foreign direct investment as the carrier of economic prosperity – that it is possible to understand how powerless labour are inclined to hope for the imminent arrival of wealth and prosperity as “cargo, glimpsed in large part through television, (which) takes the form of huge concentrations of wealth.”⁵

This essay accepts the disenchanting world of millennial capitalism as the premise on which the 2010 World Cup was able to enchant the nation.

Sacrifice and Consumption

Central to any discussion of millenarianism are the notions of hope and sacrifice – where ‘hope’ is the hope of imminent redemption, and the accompanying sacrifice of material wealth in preparation for the coming millennium. George Bataille, provides an important link between consumption and sacrifice. Commenting on the excesses of the “First Coming of Industrial Capitalism”⁶, Bataille noted an important function of consumption when he described “sacrifice as the production of sacred things through unproductive expenditure”⁷. For Bataille, consumption is unproductive expenditure, which by definition amounts to a sacrifice of wealth. However, sacrificial consumption also serves to increase “social rank”⁸. An increase in global social rank, along with the promise

of imminent economic prosperity, is the hope of millennial capitalism. Moreover, the process of de-marginalisation occurs through consumption and is a means of enforcing identity and relevance. There is also the de-marginalisation of the nation through national expenditure on “festivals, spectacles and games”⁹, which serves as a means to assert global relevance for the “imagined community.”¹⁰

I invoke the idea of the “imagined community” by Benedict Andersen as relevant in the context of millennial capitalism and mega-event hosting because the dis-enchantment of the nation in the face of increased globalisation is not irredeemable. Sport remains an area of national pride, where usual material considerations are often put on hold as players sacrifice by making appearances for fees far below normal market value, and spectators sacrifice through the consumption of tickets, all for the purpose of uniting in awe as their representatives compete.

The 2010 World Cup illustrated how sacrificial government expenditure, diverted from much needed areas towards the building of stadiums and airports, was accompanied by the individual sacrificial consumption of tickets and trinkets. This cumulative sacrifice by both rich and poor came together in the participation in a global spectacle that offered a moment of de-marginalisation for all.

2010 World Cup: Evidence of Millenarianism

In the discussion below I demonstrate how government and event organisers carefully communicate the promise of de-marginalisation. Indeed, drawing on various media presentations, this analysis of the 2010 World Cup as an example of millennial capitalism is explicated through the following:

1. The rise to prominence of mega-event hosting
2. The ANC as believers in the promise of mega-events
3. Use of rhetoric and forecasts to generate hope and excitement for the event

4. South African citizens as believers in hope
5. Post-event reality as evidence of failure

1. The rise to prominence of mega-event hosting

Research indicates that the Los Angeles Olympics of 1984 marked a turning point in public perceptions regarding the value of mega-event hosting¹¹. Indeed, it has been argued that since producing “a \$215 million profit by persuading corporations to sign up as sponsors, the Games and big business have been happily wed”¹². This turning of public perception towards the appropriateness of mega-event hosting was also assisted by the increasing prominence of satellite television and the consequent expansion of global exposure for both sponsors and hosts.

More recent research has found that “mega-events that are convened for [a] short duration, are increasingly significant phenomena in this era of globalisation”¹³. This eagerness for hosting ‘mega-events’ in the contemporary world lies in the prominent discourse which promotes the hosting of mega-events as signifying a turning point for the host country in terms of infrastructure development and international recognition¹⁴, while another function of mega-events notes that they “are spectacles that can be best understood as either instruments of hegemonic power or public relations ventures”¹⁵ by states.

Mega-events can therefore be understood as instruments of de-marginalisation for states in the face of diminishing power through globalisation, as well as tools that awe the marginalised public through the deliverance of a global spectacle, participation in which results in temporary notions of an ‘imagined community.’

2. The ANC as believers in the promise of mega-events

In South Africa, the ruling African National Congress party has for a long time pursued the hosting of mega- events, “not only for their developmental and financial gains, but also for their more elusive identity building benefits”¹⁶. This is part of a global trend in the mega-event arena as hosting “is being sought out

by African nations, who have seemingly belatedly realized the potential of hosting such events as a fairly easy means of overcoming their marginality globally”¹⁷. South Africa has ample experience from the hosting of mega-events since 1994 as it has hosted the 1995 Rugby World Cup, the 1996 African Nations Cup, the 1999 All Africa Games and the 2003 Cricket World Cup.

In South Africa, a country with a decisively fractious past, the hope for mega-events extends beyond global importance and economic prosperity. A 2006 statement by the Deputy Minister of Sport and Recreation at the time, Gert Oosthuizen, clarifies the position. The 2010 World Cup was a “unique opportunity to ensure that the world learns more about the strengths and opportunities of a country and continent undergoing far-reaching reconstruction and development”; and furthermore, that the tournament “will go a long way to strengthening our bond as one nation” and will “boost our image among the nations of the world”¹⁸. As Oosthuizen explains, the government has considered the event’s ability to serve as an international marketing exercise, but also as an impetus for the construction of an ‘imagined community,’ which apartheid policies severely stunted.

3. The Use of Rhetoric and Forecasts

The language of hope and change established the 2010 World Cup as a central turning point in the history of South Africa, in effect, its greatest moment. Moreover, the rhetoric of grandeur, served to hype the importance of the spectacle in the imagination of the world and the citizens of South Africa. Secondly, organised campaigns to generate consumption and induce excitement ensured that participation was inclusive of all. Thirdly, inflated forecasts served to awe the public into silent consensus regarding the use of public funds, and entice the entrepreneurial effort necessary for any benefit to be received.

In respect of the 2010 World Cup, the Chief Executive Officer of the Local Organising Committee, Danny Jordaan, had been the foremost protagonist of the events importance and potential. On the 11th October 2007, Danny Jordaan

understood the two key requirements which South Africa faced with respect to 2010: “one, we have to meet with the FIFA requirements, and two, the element of legacy”¹⁹. Less than a month later, on the 6th of November 2007, Jordaan was invoking the rhetoric of hope, stating that, “[C]learly football represents hope, football represents joy, football represents achievement, football represents progress for many people on this continent”²⁰. It is evident from this that there is a clear appeal to hope as a driver of eager anticipation of the 2010 World Cup.

As the event approached, the millenarian rhetoric from the organisers, particularly Jordaan, seemed to be on the increase. On the 24th of March 2010 while addressing a rally of youth in the poor Alexandria township outside of Johannesburg, incidentally the site of 2009 election boycotts over poor basic service delivery²¹, Jordaan was quick to emphasise the millenarian ideas of hope, change and opportunity that the World Cup offered stating,

This World Cup is not only about the Messis, the Ronaldos, the Wayne Rooneys and all of these big stars that are coming ... there is another World Cup. The World Cup of Alexandra. A World Cup of hope, a World Cup of change, a World Cup of opportunity.²²

A few days later, on the 26th of April, while defending the inevitable criticism from the media regarding what appears to be a redirection of funds from much needed basic services, Jordaan proudly spoke on behalf of the poor and destitute by proclaiming that the 2010 World Cup “[...]is the generator of hopes and smiles to the faces of our people”.²³ Clearly for Jordaan, smiles equal happiness, and temporary happiness has no cost!

Finally, on the 10th of June, just a day before kick-off, Jordaan was again capturing the imagination of the nation and the world by stating that,

[...] we always anticipated the day Mandela would walk out of prison. We always anticipated the day we would vote the first time. And now we anticipate the start of the World Cup.²⁴

By referring to the freedom of Mandela, and the opportunity to vote, Jordaan was appealing to a sense of nostalgia associated with memory of hopes fulfilled! A

second element in this category of excitement-generation was the active attempt by event organisers to generate a sense of national pride. A particularly prominent example has been the ‘Fly the Flag for Football’ campaign which at the outset aimed to distribute 47 million South African flags around the country²⁵. In a country of 40 million people, this project clearly demonstrated an example of the sacrifice of wealth that 2010 World Cup demanded of each and every citizen. Official representatives of the campaign have been clear about their intentions, holding that “[W]e are here to say our national flag is indeed a powerful symbol, a symbol of unity, a symbol of birth of a nation and a symbol of the triumph of the human spirit”²⁶.

Finally, forecasts of the events’ expected benefit are the third category of this excitement generation. The under-estimation of costs concealed the misallocation of funds. The over-estimation of benefits induced the interest and anticipation which will motivate people to actively seek out areas of opportunity, and thereby ensure that the expected benefit was achieved.

The use of doctored estimates appears to be used consistently by mega-event organisers. The Tokyo Olympics expected 130,000 tourists, while only 70,000 arrived. Similarly, the Los Angeles Olympics expected 625,000 tourists, while only 400,000 arrived²⁷. In South Africa, two months before the event, Jordaan conceded that early forecasts performed by Grant Thornton, which predicted 450,000 visitors to the country had been overestimated by 100,000. As a tourist destination, South Africa attracts 11 million visitors per year, which places the materiality of the forecasts and the promise of material gain in doubt²⁸. It appears that the normal average monthly visitor count exceeded even the early, over-optimistic expectation of tourist numbers.

Moreover, there are the expectations regarding the actual monetary impact of the event. However there is a difficulty in assessing such impact which is ascribed to difficulties of measurement and the dependence on visitor figures. In 2005, Jordaan estimated that the economic impact of the event on the country would be

R30bn²⁹. In contrast, Lee and Taylor, estimated the total direct expenditure by World Cup tourists as a result of the 2002 World Cup in Korea and Japan at R3.8bn³⁰. This overestimation served to awe the public into approval and anticipation of an event of magnificent magnitude.

A final example of the use of doctored predictions to gather support is evident in the large difference between predicted costs and actual expenditure. In a Business Day interview in 2005, Jordaan was asked what the “projected budget for all the work that has to be done” is. He replied, that “the German budget was at R3,218 billion and ours is at R3,154 billion”³¹. Post construction sources quote the cost of Cape Town Stadium alone, at R4.4billion³². Government communications after the event confirm the total cost of infrastructure at R30 billion, with 11.7 billion being spent on stadiums, and 13bn on train stations and roads near stadiums, as well as airports³³. The difference, between expected total costs as predicted in 2005, and the actual cost of a single stadium post completion, let alone the entire tournament, indicates the potential for the under-estimation of costs up-front in order to improve the appeal of the project.

4. South African citizens as believers in hope

Carte Blanche, an investigative documentary programme on South African satellite television, recently reported an intriguing case of Soweto Focus Point founded by Channon Merricks, an ordinary South African with aspirations of 'making it big.' Merricks devised a business plan to capitalise on the massive potential that the 2010 FIFA World Cup was purported to represent. His business plan aimed at getting access to 10% of the 450,000 visitors that were coming to South Africa. His idea was to use school classrooms as dorm rooms for backpacker accommodation. He was so entirely convinced by his project that he promised each school R100, 000 rental for the month. However, in order to secure funding he required potential providers of cleaning, security and maintenance to pay an up-front amount of R100, 000 each. In the end, he collected R10 million rand from ordinary South Africans, so enamoured by the promised of the World Cup, that they forked out life savings for the possibility of

massive returns. One “service provider” was promised a return of R2.8million rand in exchange for an upfront payment of one hundred thousand rand.³⁴

Despite the hope and expectation, there had been no bookings one month before the event. However, Merricks re-assured his clientèle that “[T]he tourists are coming like rain.”³⁵ Unfortunately, the tourists didn't come, and there is currently and ongoing criminal investigation into Soweto Focus Point. The anecdote is nevertheless relevant for the manner in which ordinary South Africans came to believe in the promise of the economic prosperity that the 2010 FIFA World Cup represented. Promised returns eagerly accepted by South Africans clearly demonstrate the millenarian promise of material redemption that 2010 World Cup represented, as opposed to calculated business risk.

5. Post-event reality as evidence of failure

If the hosting of the event was a success, the nation united, the world stood by impressed, and economic prosperity was in fact earned by a few, what happened to the infrastructure development promises that mega-events represent? If the 2010-2011 South African Premier Soccer League venue fixtures are anything to go by, then not much. “The chief executive of the PSL, Kjetil Siem, said some World Cup stadiums are 'just too big'”³⁶. The result has been that the Top Eight Tournament, which as the name suggests is contested between South Africa's eight leading teams, has no games scheduled at any of the World Cup venues. Furthermore, FNB Stadium and stadiums in Polokwane, Nelspruit and Port Elizabeth have not even been assigned any league matches for the year.

Conclusion

I have tried to illustrate in this essay the manner in which the hosting and promotion of the 2010 FIFA World Cup invoked a sense of millennial capitalism. Both the ANC's commitment to mega-events as tools for development, international exposure and nation building as well as the manner in which the event organisers promoted and generated excitement and hope for the event's potential indicated a desire to position the tournament as a changing

moment in the history of the country. This positioning sought to enamour the mass sacrifice of public and private funds, in exchange for the millennial hopes of nation building, economic prosperity and de-marginalisation through the participation in a global spectacle.

Notes

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- ² Ibid., p.25
- ³ Ibid., p.2.4
- ⁴ Ibid., p.3-4
- ⁵ Ibid. p.24
- ⁶ Ibid., p.2
- ⁷ Bataille, G. *Visions of Excess: Selected Writings 1927 - 39*. (Manchester: Manchester University Press, 1985), p.119
- ⁸ Ibid., p.123
- ⁹ Ibid., p.123
- ¹⁰ Anderson, B. *Imagined Communities: Reflections on the Origin and Spread of Nationalism* (London: Verso, 1983) p.1
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²⁷ Lee, C and Taylor, T 'Critical Reflections on the Economic Impact Assessment of a Mega-Event: The Case of the 2002 FIFA World Cup' *Tourism Management* 26 (2005): 595-603.

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