The Political Economy of FIFA Organized Football Tournaments in Africa: A Study of South Africa 2010

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Abstract
This study examined the political economy of FIFA-organized football tournaments in Africa, with a focus on the 2010 FIFA World Cup in South Africa. Using the World Systems Theory as its framework, the study investigated the long-term socio-economic impact of the tournament on South Africa, the political and economic mechanisms within FIFA that influenced the distribution of financial benefits, and the broader implications of hosting such a global event. Data were collected through secondary sources, and a historical research design was employed, utilizing content analysis to evaluate past events and their outcomes. The findings reveal that while the 2010 World Cup left a visible legacy in infrastructural development, particularly in transport and sports facilities, many of these investments have since been underutilized, raising concerns about their financial sustainability. Though tourism and international exposure increased during the event, these benefits were short-lived, with post-tournament tourism failing to meet expectations. Job creation, although significant during the preparation phase, was largely temporary, with limited long-term impact on unemployment rates. Furthermore, the socio-economic benefits were unevenly distributed, largely favoring urban centers while rural and underprivileged communities saw little improvement. The study recommends developing strategic plans for the sustainable utilization of infrastructure to prevent underutilization, such as converting stadiums into multi-purpose venues and engaging local communities in their management and there should be a greater emphasis on empowering host countries to control key aspects of the event, including financial and logistical management. These recommendations could help foster a sense of ownership and ensure continuous use of the facilities, ultimately maximizing the long-term benefits of hosting global events like the FIFA World Cup.

Introduction

Governments worldwide have long supported sports not only for their health and recreational benefits but also as tools for socialization, leadership development, and national unity. In times of peace, sports help fosters a productive workforce, while in times of war, they contribute to military preparedness. Sports have also become political tools, enabling governments to gain domestic and international legitimacy. Large-scale sporting events such as the Olympics, FIFA World Cup, and Commonwealth Games are now integral to national development strategies, offering opportunities for economic growth, tourism, and infrastructure development. However, such events often prioritize business and governmental interests over community needs, democratic participation, and grassroots sports culture.

In recent decades, global media expansion and technological advancements have transformed mega-events into powerful economic drivers. Countries now compete to host these events, hoping to leverage global exposure into increased tourism revenue, foreign investment, and rapid infrastructure development. However, the notion of "legacy" remains ambiguous, and many impact studies reveal exaggerated expectations and unclear long-term benefits.

South Africa's hosting of the 2010 FIFA World Cup marked a historic milestone as the first African nation to organize the global tournament. The event was framed as a transformative moment not only for South Africa but also for the African continent as a whole. It was expected to generate economic growth, reinforce national pride, and improve the country's global image. For South Africa, hosting the tournament was a strategic move to consolidate its post-apartheid reintegration into the global community. Following the success of the 1995 Rugby World Cup and the 2003 Cricket World Cup, the ANC government, led by Thabo Mbeki during the bid, used the World Cup as part of a broader political strategy aimed at national unity and legitimacy.

The 2010 World Cup was promoted as a catalyst for socio-economic transformation, especially in historically marginalized communities. The government invested about $3.6 billion in infrastructure—building new stadiums, upgrading transport systems, and modernizing urban centers. These investments aimed to create jobs, reduce poverty, and stimulate long-term economic growth through tourism and international investment. While the tournament brought a temporary boost in employment and an increase in tourist arrivals, long-term economic gains fell short of expectations. The influx of tourists did not match projections, and the maintenance of costly stadiums imposed lasting financial burdens on municipalities.

FIFA's role in the event's political economy was significant. As the global governing body of football, FIFA exercised strict control over the tournament's commercial operations, including sponsorships, media rights, and ticketing. This limited South Africa's financial autonomy and underscored the corporate nature of mega-events. Critics argue that FIFA's model often prioritizes its own economic interests over those of host nations, leaving local communities with underused infrastructure and unmet development promises.

In South Africa's case, while modern stadiums like Soccer City and Cape Town Stadium served as architectural symbols of progress, they did little to improve the lives of the urban poor. The displacement of low-income communities for infrastructure projects and the neglect of urgent socio-economic needs sparked public protests. These contradictions reveal the dual nature of mega-sporting events—they can serve as tools for political legitimacy and unity, while simultaneously deepening existing inequalities.

Nevertheless, the symbolic achievements of the 2010 World Cup cannot be dismissed. The successful execution of the event enhanced South Africa's international standing and projected an image of African capability and resilience. Though tangible economic benefits were uneven, the tournament was a milestone in Africa's global engagement and in efforts to reshape perceptions of the continent.

Statement of Problem

The 2010 FIFA World Cup was a landmark event for South Africa and the African continent, marking the first time the tournament was hosted in Africa. The event was presented as a catalyst for national development, economic growth, and post-apartheid recovery. South Africa's bid, spearheaded by President Thabo Mbeki and later overseen by President Jacob Zuma, was rooted in the desire to improve the country's global image and address deep-seated socio-economic challenges. The government and FIFA framed the World Cup as a unique opportunity to stimulate tourism, attract foreign investment, and foster national unity through the construction of world-class infrastructure and the creation of jobs.

In preparation for the tournament, South Africa spent billions of dollars upgrading transportation systems, building new stadiums, and improving telecommunications. These efforts were aimed at achieving long-term benefits such as reducing unemployment, alleviating poverty, and boosting investor confidence. However, while the tournament did yield short-term economic gains especially in construction employment and increased tourism during the event the long-term socio-economic impacts have been widely debated.

Critics argue that many of the benefits failed to materialize or were unevenly distributed. The large-scale investments made in stadiums like the Cape Town Stadium and the Moses Mabhida Stadium have turned into financial liabilities due to high maintenance costs and underuse. These projects diverted public funds from essential services such as housing, healthcare, and education, reinforcing existing inequalities rather than addressing them. Moreover, job opportunities created during the World Cup were mostly temporary and low-paying, offering little in terms of lasting economic transformation.

FIFA, while overseeing and profiting significantly from the tournament, left South Africa with a limited share of the revenues, as commercial rights, sponsorships, and ticket sales were tightly controlled. The imbalance between FIFA's profits and South Africa's expenditures sparked criticism over the fairness of such mega-events, particularly when hosted in developing nations. Socially, the tournament also led to forced evictions and displacement of low-income communities to make way for stadiums and infrastructure, further marginalizing vulnerable populations. While the event boosted national pride and temporarily united the country, it ultimately exposed the tension between global corporate interests and local development needs. Analysts like Bond (2010) contend that the World Cup reflected the neoliberal orientation of South Africa's economic policy benefiting elites and foreign investors at the expense of the broader population.

Research Questions

1. To what extent did the 2010 FIFA World Cup contribute to South Africa's long-term socio-economic development?
2. How did the political and economic dynamics of FIFA's organizational structure impact South Africa's financial gains from the 2010 World Cup?

Objectives of the Study

1. To critically assess the long-term socio-economic impact of the 2010 FIFA World Cup on South Africa.
2. To examine the political and economic mechanisms within FIFA that influenced the distribution of financial benefits from the World Cup.

Conceptual Framework

World Cup

The FIFA World Cup, since its inception in 1930 in Uruguay, has grown into one of the most prominent and culturally significant global sporting events. Originally envisioned as a celebration of international unity through sport, it has evolved into a powerful tool for projecting national identity, promoting geopolitical agendas, and fostering global cultural integration. The tournament's historical trajectory reflects wider global changes, such as the spread of Western sporting values, the rise of mass media, and the increasing commercialization of football.

Scholars like Giulianotti and Robertson (2009) view the World Cup as a major actor in the globalization process, contributing to the creation of a global football culture and fan base. Host nations compete not only for sporting prestige but also to assert themselves on the international stage. As a form of "soft power," the World Cup is used by states to influence global opinion, legitimize regimes, and stimulate national pride. Grix and Houlihan (2014) emphasize that mega-events like the World Cup often serve broader political agendas, including economic diplomacy and the reinforcement of national unity.

The 2010 World Cup in South Africa is particularly notable in this regard. It was the first to be hosted on African soil and was heralded as a milestone for the continent. For South Africa, the event was presented as a symbol of post-apartheid transformation, African capability, and regional leadership. The government and FIFA framed the tournament as a moment of unity and opportunity. However, while the tournament temporarily fostered national pride and international attention, critics argue that the symbolic and political gains did not translate into lasting societal benefits.

The economic impact of the World Cup remains one of the most debated aspects in the literature. Proponents claim that hosting the event can boost tourism, stimulate foreign direct investment (FDI), generate employment, and modernize infrastructure. For example, South Africa's hosting of the 2010 World Cup led to major public investments in stadiums, airports, roads, and telecommunications. These developments were seen as opportunities to address economic challenges such as unemployment and underdevelopment.

Bohlmann and van Heerden (2011) report that the South African economy saw short-term benefits in sectors like tourism and construction. However, critical analyses suggest these gains were fleeting. Baade and Matheson (2016) highlight that long-term economic returns from World Cup investments often fall short of projections. The infrastructure developed particularly the stadiums—has largely been underutilized post-tournament. Many of these facilities have become "white elephants," draining public resources without generating sustainable revenue.

In South Africa's case, the burden of maintaining new infrastructure has strained municipal budgets, diverting funds from essential services such as healthcare, education, and housing. While job creation was initially cited as a benefit, most employment opportunities were temporary and low-wage. The promises of poverty reduction and broad-based economic empowerment remain unfulfilled. These outcomes illustrate a recurring pattern in developing countries, where the costs of hosting mega-events often outweigh the benefits.

Another critical dimension of the World Cup literature centers on the political economy of the tournament. FIFA, as the event's governing body, retains significant control over its commercial aspects—including broadcasting rights, sponsorships, and ticket sales. This centralized model allows FIFA and its corporate partners to reap enormous financial rewards, while host nations absorb the majority of the costs. Horne and Manzenreiter (2006) describe this as an unequal exchange that disadvantages host countries, particularly those in the Global South.

South Africa's experience underscores this imbalance. Despite its significant public expenditure, much of the revenue generated from the 2010 World Cup flowed back to FIFA and multinational corporations. Bond (2010) argues that the tournament functioned as a projection of South Africa's neoliberal economic policies, enriching political elites and global firms while failing to deliver meaningful benefits to the broader population. This dynamic reflects broader trends in the globalization of sport, where mega-events are increasingly driven by commercial imperatives rather than developmental goals.

Furthermore, the 2010 World Cup sparked significant controversy over the displacement of poor communities to make way for infrastructure projects. Informal settlements were cleared, and residents relocated with minimal support. These actions reinforced patterns of marginalization and deepened social inequality—contradicting the event's stated goals of inclusiveness and development.

The literature highlights that while the World Cup can generate short-lived excitement and symbolic gains, its long-term legacy in host nations especially in developing countries is often marred by debt, underutilized infrastructure, and unfulfilled socio-economic promises. As such, the FIFA World Cup serves as a critical case study for understanding the complexities and contradictions of hosting mega-events in the Global South.

Political Economy

The FIFA World Cup, recognized globally as the pinnacle of international football, exerts wide-reaching political and economic influence. At the center of its operations is FIFA, the international body responsible for organizing the tournament. FIFA's organizational structure and governance mechanisms have attracted considerable scholarly attention due to their significant role in shaping the World Cup's outcomes, host selections, and financial distributions (Sugden & Tomlinson, 2003; Jennings, 2006). This review synthesizes existing literature on the political and economic dynamics embedded in FIFA's governance and how these influences global football.

FIFA's governance system is hierarchical and centrally controlled, with power concentrated in a few key positions, particularly the President and the executive committee. These individuals and groups hold substantial authority over policy decisions, including those relating to the bidding process for hosting the World Cup. While nominally representative—comprising members from different regional football associations—FIFA's leadership has often been criticized for disproportionately serving the interests of powerful nations and major commercial sponsors. Scholars such as Horne and Manzenreiter (2006) argue that this imbalance reflects an oligarchic governance style where decisions are often made to benefit influential stakeholders, sidelining smaller or less affluent footballing nations.

The issue of transparency within FIFA's decision-making has drawn sustained criticism. Many of the organization's key processes, including host selection and financial negotiations, occur with limited oversight. This lack of transparency has been exposed through high-profile controversies, particularly the corruption allegations surrounding the awarding of the 2022 World Cup to Qatar (Gibson, 2015; Jennings, 2011). Such scandals reveal how geopolitical lobbying and economic incentives can compromise the integrity of FIFA's processes. Calls for reform, aimed at increasing transparency and accountability, have gained momentum, particularly following the 2015 corruption scandal that led to multiple indictments of senior officials (BBC, 2015).

Economically, FIFA's control over the World Cup's revenue streams places it at the heart of the tournament's financial architecture. The event generates enormous profits from broadcasting rights, sponsorships, and ticket sales, most of which are retained by FIFA (Sugden & Tomlinson, 2010). Meanwhile, host nations are left with the financial responsibility for massive infrastructure development, often at considerable economic risk. South Africa's experience during the 2010 World Cup illustrates this disparity—while FIFA accrued vast profits, the host country incurred high costs with limited long-term economic benefits (Cornelissen, 2011). Scholars like Miller and Washington (2011) highlight how this revenue model reflects broader trends in global sports commercialization, where multinational governing bodies and corporations reap the majority of rewards, leaving host countries to bear the burdens.

Politically, FIFA's ability to grant hosting rights and control global football rules grants it considerable influence over international relations and regional prestige. Nations compete vigorously for the chance to host the World Cup, not just for economic reasons but also for the political capital and global recognition it confers (Black & van der Westhuizen, 2004). The success of Qatar's bid, attributed to a combination of strategic lobbying and financial incentives, showcases how geopolitical interests can shape FIFA's decision-making (Brannagan & Giulianotti, 2015). Furthermore, FIFA's influence extends beyond tournament organization to broader football governance, including regulatory decisions that affect national associations and continental federations (Darby, 2013).

These dynamics are not only economic and political but also symbolic. The prestige associated with hosting the World Cup allows nations to project soft power on the international stage (Nye, 2004; Grix & Houlihan, 2014). However, the centralization of power within FIFA and its opaque operations have spurred widespread criticism. Critics argue that FIFA's financial arrangements favor its own coffers and corporate sponsors at the expense of host communities and grassroots football development (Sugden, 2002). The demands placed on host countries often include extravagant infrastructure requirements, which can strain national budgets and displace local communities (Pillay & Bass, 2009). These critiques underline a need for structural reform to ensure a fairer distribution of costs and benefits across stakeholders.

One of the most politically sensitive aspects of FIFA governance is the allocation of continental slots for the World Cup. These slots determine how many teams from each continent can participate in the tournament, and their distribution is deeply influenced by geopolitical considerations and power dynamics within FIFA (Darby, 2005). Initially based on historical strength and participation, the allocation process has evolved into a highly politicized issue. The expansion of the tournament from 16 to 24 teams in 1982, and then to 32 in 1998, reflected both sporting growth and political negotiations to increase regional representation (Tomlinson, 2014).

Continental confederations such as UEFA (Europe), CAF (Africa), CONMEBOL (South America), and others play a major role in influencing these allocations. Europe, represented by UEFA, has traditionally held the largest number of slots, thanks to its competitive edge and financial contribution to the sport. Meanwhile, less powerful confederations like CAF and the Oceania Football Confederation (OFC) have historically struggled for equitable representation (Darby, 2013). The increase in African and Asian slots in the late 1990s was seen as a recognition of growing talent in those regions but was also the result of persistent political lobbying and strategic alliances within FIFA's corridors of power (Alegi, 2010).

Slot allocations are not merely administrative decisions—they carry broader implications for the financial and organizational dynamics of the tournament. More teams from a region mean higher chances for that region to benefit from broadcasting revenues and sponsorships. Additionally, countries from regions with increased representation may be more inclined to bid for hosting rights, thereby creating a strategic loop where slot allocation and hosting interests reinforce each other (Giulianotti & Robertson, 2007). The example of Morocco, which has bid multiple times for the World Cup, shows how regions outside Europe and South America continue to vie for greater inclusion and visibility on the world stage (Sugden & Tomlinson, 2010).

The process of choosing host countries has long been fraught with controversy and shifting rules. In the early days of the World Cup, host nations were selected by FIFA's Congress meetings, with decisions often influenced by logistical and political concerns. The inaugural World Cup in Uruguay in 1930 saw minimal European participation due to the long journey by sea, and subsequent decisions to host in Europe led to South American boycotts (Goldblatt, 2006). To avoid repeating such conflicts, FIFA adopted a rotation system between Europe and the Americas that lasted until 2002. Later, FIFA introduced a formal bidding process, culminating in votes by its Executive Committee (Jennings, 2006).

These voting processes have themselves been controversial. The awarding of the 2006 World Cup to Germany, for instance, was marred by allegations of vote manipulation. South Africa, a leading contender, lost by a single vote after a FIFA delegate abstained unexpectedly, defying instructions from his federation (Tomlinson et al., 2009). Other bids, including those by Mexico (1986), the United States (1994), and France (1998), have also been subject to debates about fairness and transparency (Jennings, 2011).

Co-hosting the World Cup, as was the case in 2002 with Japan and South Korea, presented further organizational challenges. Though intended as a compromise to promote regional unity, the arrangement was plagued by logistical issues and rivalry between the hosts (Horne & Manzenreiter, 2002). As a result, FIFA has discouraged co-hosting in subsequent tournaments, reflecting a desire for administrative simplicity and centralized control.

In summary, the political and economic structures underpinning FIFA and the World Cup illustrate the complexities of global sports governance. From governance and revenue distribution to slot allocation and host selection, FIFA wields immense power that extends beyond the football pitch. While the tournament offers unparalleled opportunities for global engagement and national pride, it also exposes deep inequalities and imbalances in how football's premier event is organized and experienced. The call for reform—focused on transparency, equitable revenue sharing, and inclusive representation remains a critical issue as FIFA continues to shape the future of international football.

Theoretical Framework

This research adopts the World-Systems Theory, developed by Immanuel Wallerstein (1974), to analyze global economic structures and inequalities. Wallerstein's framework describes a single world economic system defined by a territorial division of labor that facilitates the production and exchange of essential goods and raw materials (Martinez-Vela, 2001). He argues that a nation's development is shaped not solely by internal factors but by its position within this capitalist world system. While some scholars like Danziger (1997) and McGowan (2002) regard it as a theory, Sorinel (2010) contends that it is better seen as a broad approach to social analysis and global change. Wallerstein focuses on the historical development of the modern world-system, the crisis of global capitalism, and the structure of knowledge production. He rejects the idea of a "Third World," arguing instead that the world functions as a unified, interconnected system shaped by economic exchange (Sorinel, 2010). This global structure functions like an organism, where each part relies on others to maintain systemic balance.

The theory identifies three zones—core, semi-periphery, and periphery—each playing a distinct role in sustaining the capitalist world economy (Griffiths, O'Callaghan & Roach, 2014). Core countries, such as the United States, Britain, France, and Germany, dominate in capital, technology, and culture. These countries exercise significant power over global trade and institutions, often to the detriment of poorer, peripheral nations. Peripheral countries are typically resource-rich but economically dependent, providing labor and raw materials to the core. Semi-peripheral nations, like South Africa, possess characteristics of both zones and act as intermediaries. This stratification perpetuates global inequality, with core nations maintaining dominance through economic, political, and military means (Shai, 2016; Shai, 2021).

Wallerstein's theory draws from three major intellectual traditions: the historical narrative methods of the Annales school, Marxism's focus on class conflict and structural transformation, and dependency theory's insights on core-periphery relationships (Martinez-Vela, 2001). The theory gained prominence during the social upheavals of the late 1960s when Latin American scholars began to challenge mainstream developmental paradigms (Chase-Dunn & Grell-Brisk, 2019). At its core, the theory posits that global capitalism enables core countries to extract surplus value from peripheral regions, reinforcing economic dependency and underdevelopment.

The World-Systems Theory offers a useful lens to understand the political economy of FIFA-organized tournaments, particularly the 2010 World Cup in South Africa. FIFA, based in Switzerland—a core country—functions like a dominant core actor within the global sports economy. Though South Africa, a semi-peripheral nation, was selected to host the event and was lauded for its post-apartheid stability, the real economic and political gains were disproportionately skewed in favor of FIFA and multinational corporations headquartered in core nations. The tournament was promoted as a means to stimulate job creation, infrastructure development, and national prestige. However, most infrastructural investments were shouldered by South African taxpayers, while the long-term benefits largely bypassed the local economy.

FIFA and core-based corporations capitalized on broadcasting rights, tourism, and merchandise sales, reaping massive profits while South Africa was left with underused stadiums and significant public debt. The temporary employment opportunities generated by the event were often low-paying and ended soon after the tournament concluded. South African labor fueled the event, yet workers received minimal compensation, reflecting the theory's emphasis on the exploitative relationship between core and peripheral labor markets. The demands of hosting the World Cup also forced South Africa to prioritize the needs of international stakeholders over those of its citizens, especially local communities displaced or marginalized by infrastructure projects.

While hosting the tournament increased South Africa's visibility on the global stage, it also highlighted persistent structural inequalities in the world system. Despite the prestige of being the first African nation to host the World Cup, the event ultimately reinforced the dominance of core nations and institutions like FIFA. The capitalist world economy, as articulated by Wallerstein, remained intact—redistributing wealth upward and outward from the semi-periphery to the core.

Research Methodology

This study adopted the historical research design to examine past events in order to understand their causes and consequences, with a particular focus on the 2010 FIFA World Cup in South Africa. By analyzing the political and economic dynamics within FIFA and their influence on the distribution of benefits, the study provides valuable insights into the event's long-term socio-economic implications. This approach also helps contextualize current challenges and anticipate future trends.

The research focused on South Africa, a country located at the southern tip of Africa with significant regional and global influence. It is the continent's most populous nation south of the equator and boasts the second-largest economy in Africa. While South Africa has made progress since the end of apartheid, it continues to face issues such as poverty, unemployment, and inequality, which remain central to its development trajectory.

Data collection was qualitative and relied entirely on secondary sources, including academic texts, reports, and media publications related to FIFA and the 2010 World Cup. These materials provided insights into the broader political economy of international football tournaments.

Content analysis was used to interpret the data, ensuring that sources aligned with the study's objectives. This method enabled a systematic evaluation of themes and patterns across the materials, offering meaningful conclusions about the intersection of global sports, politics, and socio-economic development in Africa.

The Economic Cost of the Hosting of 2010 FIFA World Cup on South Africa

Hosting the 2010 FIFA World Cup in South Africa entailed significant economic costs. Despite major investments in infrastructure, security, and stadium construction, the long-term economic returns remain contested. This section explores the multifaceted economic and social dimensions of the event, ranging from government spending and infrastructural investments to the underutilization of facilities and the social disruptions faced by local communities.

Government Spending on Infrastructure and Telecommunications

To prepare for the global event, the South African government undertook massive infrastructure upgrades. According to the Department of Sport and Recreation, over USD 3.12 billion was spent across sectors such as transportation, telecommunications, and stadium

construction (OECD Observer & Nene, 2013). These investments aimed to modernize national infrastructure and improve the country's global appeal to tourists and investors alike.
Beyond the tangible improvements, South Africa gained valuable experience in managing large-scale projects, enhancing inter-governmental coordination, and refining public sector budgeting and implementation practices. These institutional gains suggest that the benefits of hosting such mega-events may extend beyond immediate financial returns.

Key Investments in Ports, Transportation, and Security
Significant portions of the investment were allocated as follows:

- USD 364 million for port of entry improvements, facilitating international travel.
- USD 1.35 billion for upgrades to train stations, airports, and road networks, enhancing internal connectivity (Sport & Recreation South Africa, 2012).
- USD 156 million for upgrading broadcast technology to meet international standards.
- USD 135 million for enhanced security, including the recruitment of 40,000 new police officers—many of whom were retained post-tournament.

Despite these upgrades, criticism emerged regarding the concentration of infrastructure improvements around already affluent areas, particularly those near airports and stadiums. Marginalized regions in need of greater development received relatively little investment (Matheson & Baade, 2004).

The High Cost of Stadium Construction and Maintenance
Stadium construction was among the most controversial expenditures. South Africa spent approximately USD 1.3 billion on building and renovating stadiums to FIFA standards. While these facilities served their immediate purpose, their long-term utility remains questionable.
Many of the stadiums, particularly those located in smaller cities, have since become financial liabilities. These cities lack the sporting infrastructure and large fan bases required to make regular use of such venues. Maintenance costs have burdened local governments, and critics argue that FIFA's preference for geographically dispersed venues exacerbated this issue by requiring infrastructure in areas unable to sustain it.

Tourism and Economic Returns
One of the major anticipated benefits of hosting the World Cup was an increase in international tourism. However, the financial returns from tourism fell short of expectations. The South African Tourism Strategic Research Unit reported an average government expenditure of **over** USD 13,000 per tourist during the tournament—far exceeding tourism revenues.
Additionally, Fred (2018) estimated that South Africa incurred USD 4,400 per non-SADC visitor solely on stadium-related costs, raising concerns about the economic viability of hosting the event from a purely financial standpoint.

Long-Term Economic Benefits and Institutional Learning
Despite underwhelming short-term economic gains, the World Cup left behind several long-term benefits. These include an improved international image, upgraded national infrastructure, and an expanded and better-equipped police force. Furthermore, the event provided South Africa with valuable project management experience, which can inform future large-scale developments across sectors.

Social Costs of Hosting the 2010 FIFA World Cup
While South Africa achieved international acclaim and infrastructural milestones, the World Cup also imposed substantial social costs, particularly in transportation disruptions, crime management, displacement of vulnerable populations, and pressure on local services.

Transport Disruptions
While the World Cup spurred major transport improvements, including upgraded rail systems and airports, the construction phase created severe traffic congestion and community disruptions. The "2020 Transport Plan" of Cape Town demonstrates the transformative yet disruptive nature of the infrastructural overhaul (Mail & Guardian, 2017).

Crime and Security
To counter high crime rates, the government enacted the Safety at Sports Recreational Events Bill (2004) and allocated USD 36 million toward security during the event (Burger, 2014). Although crime rates dropped temporarily, these improvements were not sustained. Moreover, critics argue that focusing security efforts on tourist zones left many local neighborhoods vulnerable (Cottle, 2011).

Population Displacement
Urban renewal projects led to forced evictions in cities like Johannesburg and Durban. By 2009, tens of thousands of low-income residents had been displaced without sufficient relocation support. A landmark case allowed Johannesburg's city government to evict 300 squatters to refurbish buildings for World Cup use (The Economist, 2011). Many were moved to informal settlements with poor access to essential services, deepening socio-economic inequalities (Cottle, 2010).

Pressure on Local Services
The sudden influx of tourists and foreign dignitaries strained local amenities, including public transportation, healthcare, water, and electricity services. These disruptions disproportionately affected underdeveloped neighborhoods already facing infrastructure deficits (Cornelissen, 2010).

Political and Economic Mechanisms in FIFA Influencing the Distribution of Financial Benefits from the World Cup
FIFA, the global governing body for football, operates through a complex and often opaque system of political and economic mechanisms that significantly impact the distribution of financial benefits generated by the World Cup. As one of the most lucrative sporting events globally, the World Cup generates billions of dollars in revenue through broadcasting rights, sponsorship deals, ticket sales, and other commercial ventures. However, how these revenues are allocated to FIFA's member associations and stakeholders is not solely governed by market forces but by a combination of FIFA's internal governance structures, political dynamics, and economic policies.
One of the most prominent political mechanisms in FIFA is the centralization of power within its executive bodies, particularly the FIFA Council, which replaced the historically influential Executive Committee in 2016. This body is responsible for making critical financial and strategic decisions, including how World Cup revenues are allocated. Historically, this decision-making process has been characterized by the concentration of power among a few influential individuals and member nations, often leading to accusations of favoritism and corruption (Jennings, 2011). For example, the council's composition—often dominated by representatives from football's most powerful nations—can skew decisions in favor of these countries, ensuring that they receive a disproportionate share of financial benefits (Forster, 2015).
The centralized control over revenue distribution has led to criticisms regarding the lack of equitable resource allocation. Larger and wealthier football nations, particularly in Europe and South America, often wield greater influence in shaping financial policies. This influence can

be traced to their historical dominance in international football, their large fan bases, and their substantial contributions to FIFA's revenue streams through broadcasting and sponsorship. Consequently, smaller or less economically developed football associations, particularly those in Africa, Asia, and Oceania, frequently find themselves marginalized in terms of receiving financial support (Sugden & Tomlinson, 1998).

This political dynamic also influences the allocation of development grants and subsidies. FIFA provides funding to member associations to support grassroots development, infrastructure projects, and youth football programs. However, the decision-making process behind the allocation of these funds is often criticized for lacking transparency. Some argue that associations with closer political ties to FIFA's leadership or greater political influence within the organization tend to receive more substantial support (Giulianotti & Robertson, 2009). This pattern reinforces existing global inequalities in football, where wealthier nations continue to prosper while smaller associations struggle to develop their infrastructure and competitiveness.

On the economic front, FIFA's primary sources of revenue are broadcasting rights, corporate sponsorships, and ticket sales, particularly during the World Cup. In the 2018 World Cup, for instance, FIFA reported earnings exceeding $6 billion, largely driven by its lucrative media deals and corporate partnerships with global brands such as Coca-Cola, Adidas, and Visa (FIFA, 2019). These revenues, however, are not evenly distributed among FIFA's member associations. Instead, the allocation process is influenced by a set of internal financial policies that often favor associations with greater economic leverage.

A significant portion of FIFA's revenues is allocated to member associations through the Financial Assistance Programme (FAP) and the Forward Programme, which provide funding for football development worldwide. However, these funds are not evenly distributed. Wealthier football associations, particularly in Europe and South America, tend to receive larger sponsorship deals and investment, further solidifying their financial stability. This economic disparity means that while top-tier associations can secure substantial revenues from their World Cup participation, smaller associations struggle to receive comparable benefits (Szymanski, 2017).

Additionally, FIFA's financial mechanisms include the prize money awarded to national teams based on their performance in the World Cup. While all participating teams receive some level of financial compensation, the distribution is heavily skewed toward teams that progress further in the tournament. For example, in the 2018 World Cup, the winning team received $38 million, while teams eliminated in the group stage earned $8 million (FIFA, 2018). This model exacerbates financial disparities, as the most successful teams often from wealthier nations receive the largest payouts, allowing them to reinvest in their football infrastructure and maintain their competitive edge.

Another crucial mechanism shaping the distribution of World Cup-generated revenues is the selection of host countries. Hosting the World Cup is often seen as a highly lucrative opportunity, providing host nations with economic benefits such as increased tourism, infrastructural development, and global exposure. However, the host country selection process has long been marred by allegations of political favoritism and corruption. Countries with stronger political ties within FIFA or greater economic resources often have an advantage in securing hosting rights (Tomlinson, 2014).

The economic benefits of hosting the World Cup are substantial, but they are not evenly distributed. While the host nation reaps the rewards of increased tourism and infrastructure investment, other nations, particularly those with less political or economic influence within FIFA, receive little in terms of financial gains. Moreover, the costs of hosting can sometimes outweigh the benefits, particularly for developing nations that may face long-term economic challenges related to infrastructure upkeep and debt (Baade & Matheson, 2016).

The distribution of financial benefits from the World Cup is shaped by a combination of political and economic mechanisms within FIFA. Centralized decision-making processes within FIFA’s governance structures, combined with economic policies that favor wealthier nations, contribute to a system that perpetuates global inequalities in football. Wealthier and more politically influential nations often gain disproportionate financial benefits, while smaller and less-developed football associations struggle to secure adequate support. Addressing these imbalances will require greater transparency, equity, and accountability within FIFA’s governance and financial systems.

Discussion of Findings

The 2010 FIFA World Cup, held in South Africa, represented a landmark event as it was the first time the tournament was hosted on the African continent. Widely celebrated for its symbolic significance and potential developmental benefits, the event promised transformative socio-economic gains for the host nation. A critical assessment of its long-term socio-economic impacts, however, reveals a complex and often contradictory legacy.

In the years following the tournament, South Africa experienced both tangible and intangible benefits. On the one hand, the World Cup accelerated infrastructural development in key cities, with significant investments in transportation networks, stadium construction, and urban beautification projects. These upgrades, including improvements to airports, highways, and public transport systems such as the Gautrain in Gauteng, contributed to the modernization of urban infrastructure and improved connectivity. Additionally, the World Cup stimulated a temporary surge in employment, particularly in the construction and tourism sectors, while also boosting national pride and global visibility.

However, the long-term socio-economic outcomes were more nuanced. While the event generated short-term employment, many of these jobs were not sustainable, and the anticipated long-term economic benefits did not materialize as broadly as expected. The tourism boom, for instance, was largely concentrated during the event period and did not result in sustained growth thereafter. Moreover, the high cost of stadium construction—many of which became underutilized or “white elephants” after the tournament—led to questions about the efficiency and equity of public spending. Several of these venues continue to impose maintenance burdens on municipal budgets, diverting resources from essential public services. The broader promise of economic upliftment and poverty alleviation for the majority of South Africans, especially those in historically marginalized communities, largely went unfulfilled.

Alongside the national context of South Africa’s experience, it is essential to examine the global institutional mechanisms that shaped the financial and developmental outcomes of the 2010 World Cup. At the center of this dynamic lies FIFA, the international governing body for football, which operates through a centralized and politically influenced framework. FIFA’s internal governance structures, particularly the FIFA Council (formerly the Executive Committee), play a critical role in determining how revenues generated from the World Cup—largely through broadcasting rights, sponsorships, and ticket sales—are distributed among member associations and stakeholders.

FIFA's decision-making processes are often characterized by a lack of transparency and a concentration of power among a select group of influential actors, typically from football's most economically powerful nations. These countries, by virtue of their historical dominance in the sport, their large consumer markets, and their strategic relationships within FIFA, often wield disproportionate influence in shaping financial policies. This dynamic results in an unequal distribution of World Cup revenues, favoring wealthier football associations primarily in Europe and South America, while marginalizing less developed associations, particularly from Africa, Asia, and Oceania.

In the case of the 2010 World Cup, while FIFA generated billions of dollars in profit, the financial returns to South Africa were limited in comparison. Much of the commercial revenue, particularly from broadcasting and sponsorship deals, was retained by FIFA, with only a fraction reinvested into South African football development. The Forward Programme and other financial assistance initiatives provided by FIFA were not sufficient to offset the significant public expenditure incurred by the host government. Moreover, the allocation of development grants and subsidies within FIFA has often been criticized for favoring associations with closer political ties to FIFA leadership, reinforcing global disparities in football infrastructure and capacity.

Compounding this issue is the method by which FIFA awards hosting rights. The selection of host nations is frequently influenced by geopolitical considerations and economic lobbying rather than solely on technical merit or developmental need. South Africa's successful bid was undoubtedly historic, but it also aligned with FIFA's broader strategic interest in expanding football's global reach, particularly into emerging markets. Nonetheless, the actual benefits of hosting were unevenly distributed, with FIFA maintaining control over core revenue streams and South Africa shouldering the financial and infrastructural burden.

Ultimately, the findings suggest that while the 2010 FIFA World Cup offered a powerful moment of national unity and international recognition for South Africa, the long-term socio-economic benefits were limited by structural inequalities embedded in FIFA's political and economic framework. The tournament exposed the imbalanced nature of global football governance, where wealth and influence play a central role in determining who benefits most from the world's most-watched sporting event. Addressing these disparities will require a fundamental rethinking of how FIFA engages with host nations, allocates resources, and ensures that the legacy of mega-events like the World Cup contributes meaningfully to sustainable development.

Conclusion and Recommendations

The 2010 FIFA World Cup in South Africa marked a historic milestone as the first tournament of its kind on African soil. It was heralded as a transformative opportunity to uplift the socio-economic landscape of the host nation while symbolizing Africa's potential in the global sports arena. However, a critical analysis of the event through the lens of political economy reveals a more complex and uneven legacy. While South Africa benefited from short-term gains such as infrastructural upgrades, temporary employment, and heightened international visibility, these advantages were largely fleeting. The long-term socio-economic impact fell short of the broad developmental aspirations initially envisioned, especially for the country's marginalized communities.

At the heart of these outcomes lies the global governance structure of FIFA, whose centralized and politically influenced economic mechanisms played a decisive role in shaping the distribution of financial benefits. FIFA's control over core revenue streams, limited reinvestment into local football ecosystems, and a lack of equitable financial models contributed to an outcome where the host nation shouldered the financial burden while the organization reaped the lion's share of profits. The process by which FIFA allocates hosting rights and development grants further entrenched global inequalities, favouring wealthier and more politically connected football associations.

Based on the findings, the following recommendations are proposed:

South Africa and future host nations should develop independent, long-term development frameworks that prioritize sustainable local benefits over short-term prestige. These frameworks must include legacy planning for infrastructure use, community integration, and economic empowerment beyond the tournament period.

FIFA should implement a more equitable revenue-sharing model that mandates a significant reinvestment of World Cup profits into host nations' sports development, grassroots programs, and social infrastructure, particularly in developing countries.

There is a need for increased transparency and accountability in FIFA’s governance, especially in the bidding process and financial distribution mechanisms, to ensure that hosting rights and benefits are allocated based on developmental need and fair representation rather than geopolitical or economic influence.

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