

Sydney revelations deepen Olympics corruption scandal

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Attempts by international and Australian Olympic Committee (AOC) officials to maintain a "squeaky-clean" image for the Sydney 2000 Olympic Games collapsed dramatically last week when AOC president John Coates released documents revealing that he, and other officials, had been involved in extensive votebuying in 1993 to secure Sydney's Games' bid.

The announcement came just one day before the International Olympic Committee (IOC) met to discuss an internal report into lavish cash payments and other gifts made to IOC delegates by the organising committee for the 2002 Salt Lake City Winter Olympics.

Olympic officials previously claimed that Sydney was corruption free and that the 2000 Games would rehabilitate the IOC's badly-tarnished reputation. However, ongoing reports in the Australian media alleging improper dealings cast a deepening shadow over these claims and eventually forced Coates on January 22 to make public hundreds of pages of internal documents relating to the Sydney bid.

Coates admitted that the night before Sydney won the 2000 Games, he offered more than \$A50,000 each to the national Olympic committees of Kenya and Uganda and provided their delegates--Charles Mukora and Major General Frances Nyangweso--with expensive hotel accommodation in London and other gifts. Mukora, an IOC member since 1990 and vice-chairman of the Commonwealth Games, was one of six IOC delegates named last weekend for expulsion. Coates also organised a place for Swaziland IOC delegate, David Sibandze's daughter at Sydney's International Catering Institute.

The documents released by Coates also revealed that three consultants were hired, at \$A35,000 each, to make contact with IOC delegates from Africa, the Middle East and South America. Their task was to find out what was needed to secure votes.

African IOC delegates were later promised that \$A2 million worth of sports training would be provided for African athletes at the Australian Institute for Sport in Canberra, if Sydney won.

In a frank admission of how IOC bidding works, Coates told the press: "Well, we didn't win it (the Games) on the beauty of the city and the sporting facilities we had to offer on their own, and we were never going to."

Coates claimed the bribes were necessary to counteract votes being organised in Africa by the Chinese government. "We were mindful of the support that was being directed in Africa; we knew through the Chinese Government. We were also mindful of Germany's long tradition of support through the German Sports Foundation for developing countries in Africa," he said.

Later, in an article published in Sydney's *Daily Telegraph* on January 27, Coates said Australian officials had at first been "terribly naive" about the bidding process but soon "refined" their efforts. Based on the lessons of two recent failed Games bids--Brisbane and Melbourne--Coates produced a 16-page strategy document. With government support, the votebuying budget was increased from \$A6 million for the Brisbane bid to \$A28 million for Sydney.

As he explained: "Over the course of my involvement with three Australian Olympic bids, I watched this bidding process get out of hand. After a relatively benign process delivered the 1988 Games to Seoul, the 1992 bid took the process to a new level of professionalism and competition. That escalation continued for the 1996 and 2000 bids, with each successive bidder seeking an edge."

Before travelling to Africa, Coates organised an-hour-long television satellite conference with Andrew Young, the Atlanta mayor, to secure his knowledge and advice on securing the votes of African IOC delegates. Coates then toured Africa with former Labor prime minister Gough Whitlam and other AOC officials for face-to-face meetings with IOC officials and African heads of state.

Referring to the Salt Lake City scandal, IOC vice-president Dick Pound claimed on January 10 that votebuying was caused by a "few bad apples and we will get rid of them." In fact, as the Sydney revelations show, this corruption is part and parcel of the everyday operations of the IOC and extends to the highest levels within the

organisation.

Additional details on the Sydney bid, some prior to Coates' admissions, make this clear:

* Bruce Baird, former NSW state government Olympics Minister was asked for bribes in exchange for votes during the bidding process. On January 13, he told the press that the IOC had failed to act when he contacted them over the bribe requests. Baird had previously admitted that he assisted Nick Voinov, the son-in-law of Alexandru Siperco, Romania's IOC delegate, gain employment as an engineer with NSW State Rail 10 months before Sydney secured the 2000 Games. NSW's Independent Commission Against Corruption is currently investigating the circumstances surrounding the rail job.

* Shane Maloney from the Melbourne Committee that bid for the 1996 Games revealed on January 21 that his organisation, on IOC president Juan Antonio Samaranch's request, donated an expensive Aboriginal painting to the Olympic Museum in Switzerland. They also arranged for the daughter of a South Korean delegate to play with the Melbourne Symphony Orchestra. Six African IOC delegates are reported to have requested new Holden cars and the services of local prostitutes from Melbourne officials.

* Leo Wallner, Austrian Olympic Committee president and head of Casinos Austria, joined with the Australian Olympic Committee, under Coates' leadership, to invest in the establishment of Cairns Casino, in north-east Australia. The casino deal was organised at the same time as the Australian Olympic Committee decided to purchase a \$A2.4 million Austrian ski-lodge as a training base for Australia's winter athletes. All these arrangements preceded voting for the 2000 Olympic Games.

* Australian officials also found a job for Corinne Blatter, daughter of Sepp Blatter, a leading FIFA (Fédération Internationale de Football Association) official. Sepp Blatter, now FIFA president, is a close friend of Brazil's IOC delegate, Joao Havelange. It is believed that Blatter was well positioned to influence football's IOC delegates during the Sydney bid. Six months after Sydney won the 2000 Olympics, Mathias Tallberg, the son of Peter Tallberg, a Finnish IOC delegate, was provided a job at George Paterson Bates, a Sydney advertising agency.

Last weekend the IOC executive, in an effort to salvage its image, announced it would expel six members of the organisation, change its city-bidding process and introduce an "ethics committee". It named 13 lower-level officials for receiving cash payments, lavish gifts and other inducements. Four IOC delegates--Finland's Pirjo Haeggman and Bashir Mohamed Attarabulsi from Libya, as well as Sibandze of Swaziland and Kenya's Mukora--resigned after admitting that they had received extensive gifts and payments for their

votes. Three others--Kim Un-Young from South Korea, Vitaly Smirnov from Russia and Louis Guirrandou-N'Diaye from Africa's Ivory Coast--are still under investigation.

The 78-year-old Samaranch told the media that the Olympics would go ahead in Sydney and Salt Lake City. While this produced a sigh of relief from AOC officials, who reassured sponsors they had nothing to fear over any future IOC scrutiny, dark clouds still hang over the 2000 Olympics.

The Sydney Games face a \$A220 million funding shortfall, with the latest scandal coming only weeks before the organising committee launches its \$A600 million ticket marketing program. Advance ticket sales to the major Olympic ceremonies are reported to be very low.

And last month, Texaco, a major sponsor, withdrew. Other sponsors--Westpac, Coca-Cola and Westfield Holdings--have issued qualified and cautious statements reaffirming their support. Westfield Holdings, one of the largest sponsors, said it was "concerned at the potential that these developments have to undermine the Games".

Media corporations around the world have rejected the cosmetic changes proposed by Samaranch and demanded he resign. Samaranch, a former minister in the Spanish fascist regime of General Franco, has rejected the suggestion and declared that the IOC's March 30-31 meeting will take a vote of confidence in his leadership.

The concerns raised by the media and corporate sponsors about Samaranch and the IOC have nothing to do with rooting out corruption but are directed towards protecting the Olympic Games as a "brand name"--a product and image that can provide multi-million dollar advertising and profits.

A rule of thumb for all those following the crisis now enveloping the IOC: "honesty", "ethics", "integrity" and similar lofty phrases should be translated into "market credibility", "advertising demand" and "profit".

As a senior executive officer with the United Parcel Service of America, a major sponsor of the Salt Lake City Games, recently explained: "Ethics and integrity are everything to us. For the protection of the Olympic brand, this is a critical issue."



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