

# Football World Cup 2006—a multibillion-euro business

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Less than two weeks before the 18th soccer world championship kicks off, public life in Germany has been overcome by an unparalleled World Cup mania. No city centre, station forecourt or public square, no shop window, no newspaper, no television station and hardly a single programme, let alone any adverts, are without the obligatory reference to the forthcoming games, with their footballs and goals, waving flags and jubilant fans.

The actual sporting event—64 games of soccer in 12 different stadiums, in which 32 national teams will play against each other for the world championship—seem to pale into the background beside the all-pervasive orgy of advertising and commercialisation.

World Cup 2006 is a business worth billions, with the sale of television transmission rights alone bringing in more than €1 billion. Over €400 million will accrue to the sponsors from the sales of marketing rights, about twice the amount expected from ticket sales.

What was previously frowned upon as surreptitious advertising—references to and mention of commercial articles in television programmes—has clearly become the main purpose of these broadcasts. The official sponsors have reached deep into their pockets to ensure a global advertising effect through the worldwide TV coverage of the games.

FIFA (Fédération Internationale de Football Association—World Football Federation), responsible for organising the World Cup, estimates that fans will purchase merchandise worth €2 billion, 25 percent more than during the 2002 games, and will pocket 15 to 20 percent of the total. FIFA, which is registered in Switzerland as a not-for-profit organisation, pays just 4.25 percent in business taxes. FIFA President Sepp Blatter has never been able to eliminate the rumours of corruption that surround his ascent to the top of the federation.

There are 15 official sponsors who have paid millions to FIFA for the exclusive rights to market the World Cup. FIFA even went to the Federal Court in Germany in order—unsuccessfully—to protect the term “Football World Cup 2006” as a trade mark. “It is as if auto maker BMW had tried to patent the expression ‘driving a car,’” commented the *Süddeutsche Zeitung*.

The official sponsors include Adidas, Coca Cola, MacDonalds, Yahoo, American Express, Anheuser-Busch, Avaya, Deutsche Telecom, Continental, Toshiba, Philips, Hyundai, MasterCard, Fujifilm, Fly-Emirates and Gillette. In addition, there are six national promoters, which include Germany’s state railway company and the Postbank.

FIFA is not only offering these corporate sponsors exclusive use of the World Cup emblems, but is also providing them vast numbers of complimentary tickets, use of VIP boxes in the stadiums and first consideration when it comes to new contracts. Adidas, for example, the official supplier of sports clothing and footballs to the championship, has also landed the contracts for the 2010 world championship in South Africa and 2014 in Latin America. Coca Cola’s contract with the FIFA runs for over 25 years.

The special rights accorded the sponsors have already played an important role in the run-up to the games. For example, all 12 World Cup stadiums had to be completely renovated. In each stadium, a ring of VIP boxes was built, with the effect that local football fans and traditional club members often no longer recognise “their” stadium.

Many stadiums changed their traditional names, often in return for money. Thus Gelsenkirchen’s Auf Schalke stadium is now the Veltlins (a brand of beer) Arena, the Frankfurter Waldstadion is now the Commerzbank Arena, Hamburger Stadion is the AOL Arena and Nuremberg’s Frankenstadion is the easyCredit Arena. However, because those providing the new money and names are not official World Cup sponsors, the names will have to be changed during the championship to Frankfurt World Cup Stadium, Gelsenkirchen World Cup Stadium, etc., and must remove all their new signage from the stadium.

What local football fans might think of this was of no concern, and they will have little access to their home grounds during the world championship. Although the general public is being bombarded with propaganda to the effect that this is an event of utmost importance which everyone should attend, it takes an enormous effort and a lot of money to actually obtain tickets. Only one third of all the available seats can be booked via the Internet.

These tickets had to be booked long ago, with the purchaser providing their personal details. A lottery procedure decides who can actually buy a ticket, and then which game in which city one can watch, if at all. Those who receive a ticket as a gift or buy it from a third party run the risk that they will be refused entry to the game. Only after many complaints was it agreed that tickets could be resold.

For the many who have not got a ticket, each major city is establishing special sites for fans to gather and watch the games on large screens. In Berlin, Adidas has built a mini Olympia Stadium in front of the parliament building for 10,000 spectators, with the games being projected onto massive screens. A 40,000 square meter football park, the Adidas World of Football, has been built on the very field where ordinary people were previously forbidden from kicking a ball about.

In Munich, where the games will open on June 9, a whole media city has been built with a forest of satellite dishes and over 2,000 employees. In the north of Munich, €340 million was spent on a new football stadium, the Allianz Arena (named after the main sponsors of local team Bayern Munich), which has already been unofficially dubbed the “arrogance arena.”

The official slogan of the games—“A time to make friends”—stands in glaring contrast to the realities of present-day Germany, in which the idea that foreigners might be welcomed as guests is just a pipe dream.

Those who came to Germany during the Balkan war, as well as those fleeing from Africa, Afghanistan and Iraq, are still being systematically deported. It is quite possible that in Frankfurt, Hamburg or Munich after the end of a World Cup game, at three o’clock in the morning, just a few kilometres from the stadium, a police unit from the aliens registration

office could force its way into an apartment, waking a whole family including young children, and deport them, although they may have lived there for 20 years, where the children were born and parents worked. “A time to make friends”?

Right-wing extremist acts of violence against those of “foreign” appearance have increased. Three weeks before the world championship, the former government spokesman Uwe Karsten Heye, a member of the executive committee of the anti-racist organisation “Show your face,” expressly warned dark-skinned World Cup visitors against going to certain areas where the threat of neo-Nazi attacks was high. “There are small and medium-sized towns in Brandenburg or elsewhere where I would not advise those with a different skin colour to go. They might not get out alive.”

His warning has been confirmed in a report drawn up by the secret service, which documents a 25 percent increase in right-wing violence in the last year. The recent attacks on a German man of Ethiopian origin in Potsdam and on the Left Party parliamentarian Giyasettin Sayan in Berlin are just more well-known examples.

Politicians have vehemently contradicted Heye and attacked him for denigrating his own country, to try to prevent the forthcoming events being seen in a bad light. The German authorities are pulling out all the stops for the world championship. The public purse may be empty, as the public is frequently told, but there is enough money there to satisfy all FIFA’s desires, like the building of new stadiums and development of the necessary infrastructure.

The reason for this is that the World Cup also fulfils an important political function. It serves as a diversion from the many unresolved questions of society, such as growing social polarization, mass sackings and rampant unemployment, the run-down health system, problems in schools, attacks on pensions, the scandal surrounding the secret service spying on journalists and the debate about the upcoming German Armed Forces mission in the Congo.

Germany’s political elite hope the national side will emerge victorious, so that all the pressing social problems of the day will be submerged in a wave of jubilation. But while no one can say with certainty which team will win the world championship, one thing is already certain: the state debt will have risen. The renovation or building of 12 stadiums has already cost the state governments and stadium operators approximately €1.38 billion. In addition, there are the costs of ensuring that the local infrastructure can cope, and the cost of the security measures will run into hundreds of millions.

Another important political function is that the world championship is being used to push through measures that would otherwise be difficult or would arouse widespread opposition in the general population.

This is especially the case in the area of security. A new benchmark for the deployment of the police and military in the public sphere is being set during the World Cup, which far exceeds what has been usual, even given the fears generated by government and media regarding the danger of terrorism. Hundreds of CCTV cameras will be trained on public areas, and for the first time, the armed forces will be deployed within Germany, controlling air space during the games with AWACS reconnaissance planes.

All police leave has been cancelled for the duration of the games, and some 2,000 soldiers are being deployed to support the police. A further 5,000, mainly medics and experts in atomic, bacteriological and chemical weapons, will be standing by because of the danger of a terrorist attack. The Schengen agreement—permitting free passage between 15 countries, including Austria, Belgium, Denmark, Finland, France, Germany, Iceland, Italy, Greece, Luxembourg, Netherlands, Norway, Portugal, Spain and Sweden—has been suspended during the World Cup, ostensibly so that no hooligans can slip into Germany among the many football fans. In Berlin, for the first time, a DNA sample will be taken from anyone with a

previous conviction for hooliganism.

Each game will see the deployment of about 6,000 police officers, with airspace above the grounds being closed. At the opening game in Munich this is to be expanded to cover nearly a 60-kilometre periphery. FIFA is also employing some 20,000 private security guards. The whole operation looks more like the dry run for a state of emergency, providing the state with a useful exercise.

Less care is being devoted to ensuring crowd safety, as a study in January 2006 showed. In four of the 12 stadiums—Berlin, Gelsenkirchen, Kaiserslautern and Leipzig—fire precautions and escape routes were found to be unsatisfactory or had not been prepared for the World Cup.

The World Cup is also being used to set new norms in the field of work. In order to meet the deadlines for the construction of the stadiums and infrastructure, building firms are working 10 and 12-hour shifts, as the private security companies are also doing. Saturday and Sunday working has now become the norm, and shop opening times, which have traditionally been heavily restricted in Germany, are being extended.

Here also, the World Cup is being used to push through things that are deemed “desperately urgent” and which have proved difficult to implement in the past. But who will guarantee that after the end of the championship everything will return to the way it was before?

The closer the World Cup looms, the clearer it becomes that it will be dominated by a very expensive, carefully orchestrated media pageant. Although a large part of the population enjoys watching football in their leisure time, this “mega event” is also awakening scepticism and distrust.

According to opinion polls in Berlin, only one in two people is at all interested in the World Cup. Moreover, active participation is simply very expensive. Many hotels in the cities where matches are being held still have numerous free rooms and could face heavy losses. They have had to leave a majority of the pre-bookings to the FIFA marketing company WCAS. In Berlin, some 5,000 of 8,000 such rooms remained unbooked at the end of April, and were handed back to the hotels by WCAS. An opening ceremony originally planned by FIFA was called off at the beginning of the year because too few tickets had been sold.

In mid-May, the toy manufacturer Nici, which is manufacturing the World Cup mascot “Goleo VI,” declared bankruptcy, threatening the jobs of over 500 staff. The firm, which was already in crisis, had invested €5 million, hoping to use the World Cup business to regain its health. But fans were not interested in buying a key fob or a Goleo toy lion.

The vast sums of money being expended everywhere, for just a relatively few soccer games, is meeting increasing public rejection. This is not only the case as a result of the sponsorship deals, which mean, for example, that during the games in Munich no traditional Weissbier (wheat beer) can be consumed and Frankfurt’s traditional apple wine will not be sold. Fans will only be permitted to drink Coca Cola and Budweiser beer, the official sponsors.

What is more disturbing for many people is that it is becoming increasingly clear that the World Cup will not produce the promised economic upswing—quite the opposite. The additional jobs expected will mostly prove to be poorly paid and last just a few weeks. Most of the tasks to be carried out inside the stadiums are being done by unpaid volunteers.

One of the World Cup sponsors, Deutsche Telekom, plans to cut back 30,000 jobs over the coming months.

The World Cup will come and go, and the millions of euros that have been spent on it will mainly flow into the pockets of the rich. Those who will profit are the media companies and sponsors, the hotels, casinos, fine restaurants, etc., while the vast mass of the working population will be left to pick up the tab.



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