Master’s degree thesis

EVM950 Event Management

Comparison of Czech and Norwegian Sports Event Hosting Policies

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Preface

This thesis is a part of master education at Molde University College, study program MSc in Event Management.

We have to admit that research on sports event topic was time demanding and exhausting and support of family, our beloved ones, friends and many other people who contributed to our personal development was crucial, and we are highly grateful for this perfect background. We thank all of you.

Besides interesting findings, we also feel that cross-culture cooperation that brought different point of views on the topic was a unique experience and gave a great reward. Thereby, we are thankful to those who are behind international program of Event Management at Molde University College, all our professors who we met during our studies, and last but not least our mater thesis supervisor, Hallgeir Gammelsæter.

Stine-Marie Jonstad, Eva Umancová
Summary

Major sports events belong to fast-paced event industry and require involvement of different stakeholders, for instance sport’s governing body and athletes, event organizers and volunteers, sponsors, and last but not least authorities of public sector. Global image of major sports events, when the TV-viewer sometimes hardly recognize in which country the event takes place is certainly an interesting topic from project management point of view. One can assumes that such activity involves many standardized processes. However, how does it work on public sector level? As long as the engagement of public authorities is not only political patronage but includes allocation of public resources it is more than important for the society as a whole to understand these principles. Mainly because of the economic loss that an event can cause also in public sector, consequential disillusion and future economic barriers for tourism development.

This thesis under the name *Comparison of Czech and Norwegian Sports Events Hosting Policies* introduces the topic of event hosting policies in both countries and on top of that traces differences and similarities in both concepts and also sports environment. Moreover, relation of both policies to current global sports event industry and its trends is mentioned.

Reason for comparing these two countries is given by nationality of authors and their interest, and also by the assumption that none of the countries have implemented legal strategic framework for hosting the events yet. This assumption was proved as correct later on and therefore it tempted to explore this topic more and learn about forces that affect the current situation and future.

The thesis focus was on the development of sports movement and sports events in both countries, summarized important major sports events based on media coverage, number of spectators and international athletes participation both in the Czech Republic and Norway. Furthermore, national sports events hosting policies were identified including important actors. Finally, both historical development of major sports events and national hosting policies were compared.

What are main findings of the thesis? Surprisingly, evolution of modern sport was quite similar in both countries. The main sport’s governing bodies were established in the almost
same year and also some sports are popular into same extent in both countries (e.g. football, skiing, and athletics). Despite of central sport’s governing bodies’ effort, some events were hosted independently of them, for instance Grand Football Match in Bergen or Ice Hockey World Championships in Czechoslovakia.

Although, sport is strongly attached to politics, Czechoslovakia/the Czech Republic case shows that sports events have been popular and taken place despite of political regime and economic conditions. However, regarding politics influence, both hosting policies are affected by lobbyism and corporatism and as such, different paradigm has evolved and different dynamics of public support is presented. While current active participation of almost all Norwegian sports clubs brings challenge in strategic events coordination on national level, Czech hosting policy is vague enough and opens the space for lobbyism and prioritizing some sports events over others based on unclear rules. Perhaps, based on paradigm that have been identified in Norwegian case, as hosting more of major sports events and mega event such as Olympic Games again, a new concept in this area is now emerging and time shows how successful it will be. Suggested hosting policy follows current trends in sports event industry but it is difficult to predict how efficient it will be – it depends on involvement of all addressed stakeholder and mainly the main sport’s governing body (NIF) position. On contrary, an official governmental/national reason why the Czech Republic host the events have not been identified, and overall situation is too complex and unclear on sports event field right now which makes it difficult to predict the extent of state participation on events field in the future.

Both countries are facing the change in sports event environment right now and as such, recommendations were introduced. Authors believe that an implementation of strategic sports event hosting policy is essential to eliminate potential negative outcomes (e.g. economic loss of the region/municipality) and leveraging potential benefits (e.g. empowerment of social interactions, assurance of sustainable development). Thereby, determinants and barriers of implementation phase for a new strategic hosting policy have been identified.

**Keywords:** sports event, hosting policy, tourism.
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1 Introduction

As authors of this master thesis we have found great interest on the event management field during the studies at Molde University College.

1.1 Background and motivation

During a study trip to Switzerland in autumn 2011 we got the unique opportunity to visit many international associations that gave us lectures and a close-up look at planning, organizational and evaluating phase of events. By visiting the IOC headquarter, the Swiss Federal Institute of Sports in Magglingen (SFISM), and several other sport associations we got inspired and came up with some potential ideas for this master thesis. During the stay at Magglingen we visited the camp and sport infrastructure, which probably are the most modern sporting facilities in Europe. We had lectures about the Concept of the Swiss Federal Government for major international sporting events, and public support and financing of elite sports. These lectures captured our attention, and when it was revealed that the national engagement in event policies was different between the European countries, we decided to dig into the topic about national policy for hosting sport events.

Because of the nationalities of the authors, Norwegian and Czech, it became quite natural to be curious of how Norway and the Czech Republic plan, finance and host sport events of international scale. In addition, we had an assumption that none of these countries have implemented strategic approach yet and based on this we decide to do research of this topic together.

This lead to the operationalization of research question as presented below.

1.2 Research Question

Do Norway and the Czech Republic have a national policy for hosting major sport events, and if so; what are the similarities and differences between them and do the policies correspond to current sports events trends?
2. Literature Overview

The literature overview gives a description of the definitions needed, the theoretical content and the framework of further steps for discussion.

2.1 Event definition

An event can be defined as “an occurrence at a given place and time; a special set of circumstances; a worthy occurrence” (Getz 2007, p. 18). This definition can be considered as quite weak because it does not define if the event is planned or not. But it indicates that an event is a happening or an incident that appear with a start and a stop, and that it “occupy and temporarily transform venues” (Getz 2007, p. 20). A planned event is an occurrence with a temporary length which is fixed and published in advance, and it contains combination of a determined setting, program, management, and people (Getz 2005, p. 16). From a historical point of view planned events have always been a substantial part of the civilization and are a fundamental and an essential human experience (Getz, 2005, p. 5), and are “created to achieve specific outcomes, including those related to the economy, culture, society and environment” (Getz 2007, p. 21). In this paper the focus is on planned sport events. Sport is a term that probably does not need any definition but to be precise it is defined as physical activity in an organized, structured and competitive environment where a winner is declared (Getz 2007, p. 42). There are a huge number of sports that are practiced throughout the world and time, and there are probably huge variations of sport events conducted. The definitions of sports event refer to as “the actual games or meets during which sport activity occurs” (Getz 2007, p. 42), in addition, many formats and classifications of sport events exist. A classification can be if the sport events are for professional or amateur athletes, and the focus throughout the paper is on sport events with professional participants. Furthermore, the events need to be described in some format that point out the type of the sport event.

Some events are considered as special events which means that the event is defined as “unique moment in time” that “satisfy specific needs”, and that is a “one-time, or infrequently occurring event outside the normal program or activities of the sponsoring or organizing body” (Getz 2005, p. 16). This means that the context of the event makes the event special for the organizer and/or the guest. If the spectator or guest finds the event as “opportunity for an experience outside the normal range of choices or beyond everyday experiences” (Getz 2005, p. 16), it is considered as a special event.
One-time events are unique, sports events move around and it is very rare that they return to the same host. The participant and spectator experience of the event are essential to considered it as successful or failure. Major sport events which are one-time or recurring event are basically planned and conducted to enhance the “awareness, appeal and profitability” (Getz 2005, p. 16). It is often related to the term Hallmark because the event is significant in relation to tradition, attractiveness, quality, publicity, and it provides the host city, the region or the destination competitive advantages. Another point of view on sports events is provided by Gratton, Dobson and Shibli (1999) as they classified major sports events with regard to their economic impact. The study defined four different types of major sports events differentiate from media and spectator coverage, frequency and national/international character of the events.

The characteristics of mega-event are measured by the number of visitors, the cost, or by psychological criteria (Getz 2005, p. 18) and it is a must-see event. But these characteristics do not necessarily cover all dimensions of a mega-event because it should even consider its economic impact. In addition the event must be able to attract a worldwide publicity and should create positive image. The definition of mega-events is “by way of their size or significance, are those that yield extraordinary high levels of tourism, media coverage, prestige, or economic impact for the host community, venue, or organization” (Getz 2005, p. 18). The Olympic Games and the Commonwealth Games is considered as mega-events. Table 2.1 distinguishes between the types of event mentioned above, and gives an indication of the market and media interest connected to each type.

Table 2.1: Type of the events (Weed and Bull 2009, p. 225)

<table>
<thead>
<tr>
<th>Type of event</th>
<th>Example of event</th>
<th>Target attendance/ market</th>
<th>Type of media interest</th>
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<tr>
<td>Mega-event</td>
<td>Olympic Games</td>
<td>Global</td>
<td>Global TV</td>
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<tr>
<td></td>
<td>World cup (soccer)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special event</td>
<td>Grand Prix (F1) World</td>
<td>World Regional/National</td>
<td>International/ national TV</td>
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<tr>
<td>Hallmark event</td>
<td>National sport events</td>
<td>National</td>
<td>National TV</td>
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<tr>
<td></td>
<td>Big City Sport events</td>
<td>Regional</td>
<td>Local TV</td>
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All types of event mentioned in the table above are argued to be event tourism attractions. Event tourism is described as “destination development and marketing strategy to realize all the economic benefits of events“(Getz 2005, p. 12). Tourism impact is quite complex and is not dealt with in detail in this paper, but policies or strategies related to events and event tourism is dealt with as a perspective to multiple events to cities or destinations.

As Getz (2007) emphasize, relationship among government and sports events and tourism is linked to the outcomes which are in three matters; social, cultural and political generated from five stressors. The five stressors are expenditure, event tourism, event-related development (activities, infrastructure and facilities), community involvement in events, and media coverage. Political forces could influence the event in form of legal matters which will vary between countries.

A practical point of view on sports events is provided by Emery (2009). He has conducted research among sports event managers and came up with findings in the organizational area, moreover he discovered critical success factors and future trends. According to Emery (2009) the planning phase of the event turns out to be one of the most important, in particular financial plans that are emphasized over bidding and feasibility studies and strategies. Critical success factors are defined as: experienced staff, detailed planning phase and well-done management of finance and media and last but not least – predicting unpredictable, i.e. awareness of various factors that could impact the event. Such mixture of elements is attached to the following areas; sports, the funders, the media and external factors. Interviews with event professionals revealed information especially importance of volunteers and skilled staff, physical demanding working space, economic efficiency and proper financial management, and huge impact of the media.

Emery (2009) describes the history of modern events environment and predicts what will influence events world in future. He highlights several global as well as national milestones (e.g. profit on Olympics in L.A in 1984 or a loss of Sheffield World Student Games) that reflect the change in event industry, the way how the events had changed - from domestic market to global market, from pure seller perspective in the past to the cultural and personal experience that events should deliver nowadays. While commercialization and technological triggers were milestones in past, key management characteristics of contemporary event business are sustainable management, highly experienced and knowledgeable staff, ethics and
impact of technologies. Thus, future practice in the event field is anticipated as higher demand of event professionals, increasing importance of understanding culture differences, technology as a trigger of future trends and a growing dominance of mega events on the account of less popular events.

Previous definitions evoke that sports event world is a complex industry and explanation of public sector engagement is needed. The question is: Why events should be supported on public level?

2.2 Events and public support

An answer to this question is provided by economics and terms as ‘market failures’ and ‘merit goods’. Rather socio-political explanation is described by Bergsgard et.al (2007) in the end of this chapter.

So called ‘market failures’ occur when production of some sort of goods is not at a desirable level because the market fails to produce and distribute these kinds of goods. It is believed that governmental intervention is needed in these situations, mainly in the form of legislation provision or even as an economic actor (Stiglitz 1993). Moreover, in non-perfect markets lack of information is on the list of market failures as well as externalities and many others. Externalities are defined as an inefficiency of market price, i.e. when some extra benefits or cost are not covered by the market price.

Stiglitz (1993) provides examples of externalities, such as air-pollution as a negative externality while a negative externality (absence of technology enables to produce goods for a low price but extra cost are paid by locals, who can suffer from several health issues), and research and development as a positive externality (an inventor receives only a small reward in context of benefits for the whole society).

Because of basic characteristics of so called ‘public goods’, these goods are treated as positive externalities. Characteristics defining public goods are non-excludability and non-rivalry, hence it is problematic to exclude someone from consumption of such goods and one extra person can enjoy benefits of public goods without harming the other one. A classical example is national defense (Stiglitz 1993). In addition, the level of non-excludability and non-rivalry
determines public goods in greater detail as pure public good and pure private good (e.g. education and health care is defined as pure private goods because excludability is low and rivalry is high).

Thus, it is the extent of impact on the society that entitles public goods. Therefore, one can assume that major sports events are public goods to the extend they have social and economic impact on the whole community. An inhabitant of the host event city is usually influenced by the changes in infrastructure, public atmosphere or different public finance allocation as a major sports event is hosted regardless of his actual attendance at the event.

Positive externalities and public goods further points to the existence of free-rider theorem. Pindyck and Rubinfeld (2005, p. 668) explain who is a free-rider:

„Free rider – consumer or producer who does not pay for a nonexclusive good in the expectation that others will”

Pindyck and Rubinfeld (2005, p. 668)

Extra economic or social benefit for the region can be mentioned as an example of a positive externality in event setting. This externality occurs beside the main goal of the event, e.g. delivering a unique experience to audience or generating profit for an event organizer. Such event is beneficial for the tourism industry in general, and the critical point is related to the delegation of responsibilities among tourism businesses.

As long as an event organizer won’t be supported by other involved parties (public authorities, accommodation and restaurant industry, etc.), the event might not be conducted. This unwillingness behavior is known as a free-rider approach (Solberg and Preuss 2007).

Solberg and Preuss (2007) further suggest governments should fund events to avoid such negative outcomes. However, careful approach is necessary, because various interests groups (external experts or even locals) can lobby for disadvantageous alternatives to bring economic resources to the given destinations at the expenses of society. Such pressure can be even supported by scientific means, i.e. economic analyses. Although, economic impact analyses can reveal a potential direct and indirect cash-flow into region, Késenne (2005) rather proposes to implement Cost Benefit Analyses (CBA) that reveals both
economic cost/benefits and opportunity costs/consumer surplus. However, Preuss (2009)
argues that is very difficult to state all opportunity costs in event settings because of complex
sports events environment and all the various actors whose perspectives should be reflected in
the analyses. Thus, public authorities face a challenge in evaluating potential event benefits
and costs for the region.

What should be done if market failure is present?
Besides direct funding/subsidies or tax holidays, government can e.g. nationalize the part of
inefficient industry, or set constraints that private sector has to adapt to, e.g. employers are
supposed to pay health insurance for their employees. Combining the aforementioned actions
is also an option (Stiglitz 1993).

On top of market failures there is one more reason for governmental intervention. This refers
to human beings nature and frequent unwise behavior. The assumption that an individual
should be protected by someone else (i.e. government and law) is the idea of ‘paternalism’
(Stiglitz 1993) government knows what is good and bad for inhabitants and make steps that
influence their behavior through charge or ban of goods consumption. Such goods are called
merit good or merit bads.

Sport is perceived as merit good because of positive health effects, social inclusion and so
forth, and as such is supported by governments. Recently this opinion has been reviewed by
Chappelet and Theodoraki (2006) as they summarized evidence and offer well-balanced facts.
For instance, positive health impacts on society are often redeemed by injuries, terminal
illnesses, sports addiction or overconsumption of dietary supplements and doping. Sports
education and moral qualities gained through sport can be challenged by violence and racism
at stadiums. Economic interests and pressure on performance opens the gate for corruption
(e.g. Salt Lake City Olympic Games candidature affair in 1999) and dishonest practices (e.g.
fixed football matches).
Chappelet and Theodoraki (2006) also discuss a sports event aspect – sustainable
development and gigantism. Logistics and environmental interests have been on the agenda of
the Olympic Games since 1992 and represent sports events approach towards sustainable
development. Nevertheless, complexity and continuously increasing size of the events brings
higher risk and expenses mainly in form of investment costs. A negative legacy which
remains after the sports event is over is called ‘white elephant’ and is defined as a facility with
high investment and operational cost and rare usage (football stadiums built for 2002 FIFA World Cup in Japan and South Korea are referred as an example). To conclude, sport and sports events have bright sides and drawbacks that should be taken into account. To conclude, sport and sports events have bright sides and drawbacks that should be taken into account. Chappelet and Theodoraki (2006) rather propose business practices in public sports environment (e.g. strategic management and critical review of processes) in order to achieve sustainable sports development and mainly to start discussions about values that are attached to the famous phrase ‘SAFE Sport’ which is short for Sustainable, Addiction-free, Fair, Ethical Sport.

Reasons of governmental intervention in sports are explained by Bergsgard et al. (2007) as referring to cultural significance, malleability and the multidimensional character of sport. Sport is deemed an important quality pillar of daily life among inhabitants and also affects a national mood level by the success or failure of national teams and athletes. Malleability of sport is linked to the political scene and regime of a given country as sports can be used as a promoter of various political aims. The multidimensional character of sport expresses different outcomes that sport produces – e.g. economic gain, public welfare, etc. It is these reasons that legitimate a sports policy.

2.3 **Sports policy and Contemporary sports events policy**

Public support of sports or any other kind of interest is managed through public administration.

> “The principal activity of public administration is implementing laws but there are also a range of other important activities carried on in these public organizations.”

(Peters and Pierre 2007, p. 1)

Peters and Pierre (2007) explains role of public administration in greater detail as creating policy and adding meaning to the law. However, a critical question is: What does public policy stand for?

Policies can be explained as “normal rules developed and voted on by the board of directors to governing the activities for all members of an organization” (Getz 2005, p. 61). The
policies are often planned and in respond to problems and risks more than as a part of planning and management systems. Policies may also be explained as “unwritten guidelines understood by everyone” (Getz 2005, p. 61), and with this approach flexibility is allowed but then followed by the risk abusing the policies. Within each policy field, procedures will be formulated to regulate routine actions, and show what actions are desirable, permissible, or forbidden.

According to Bergsgard et.al (2007) a structure of sports embraces interest groups that can be defined as demand groups (e.g. elite athletes), provider groups (i.e. trainers, sports clubs), direct support groups (municipalities, sponsors) and indirect support groups (urban development agencies). Furthermore, interaction and relationship within this framework are attached to the main goal of sport policy; such a goal is called ‘the dominant policy paradigm’ and refers to the scope of the policy. The dominant policy paradigm can be social inclusion, sport for all, modernization, etc.

Bergsgard et.al (2007) further notices that sport policy is not only driven by inner national needs but also external factors: globalisation, commercialisation, politicisation and governmentalisation. Major sports events seeking a private profit rather the state subsidy is one of the features of globalisation; sports clubs and athletes as commodities and profit generated via broadcasting and sponsoring for non-profit organizations and increasing number of companies that run their business in association with the sport industry are traits of commercialisation. The overlapping of commercialisation and governmentalisation is illustrated by business code of conduct on the public decision-making level. Well established governmental agencies and governmental rules for sports organizations that have a great impact on sport in general are characterized as governmentalisation. Non-sporting objectives that are achieved via sport are known as politicisation and an example is the Nazi propaganda during Olympics in 1936.

According to Kirkedeparmentet (2003) corporatism is a term used to describe the interactions between private interest and public sectors within committees, boards, and councils. The Norwegian politics are strongly in corporation with organized interests of business and industry, and the decisions are made in the corporation bodies, like NIF. As Bergsgard and Norberg (2010) emphasize the parliamentary lobbyism is limited because the allocation of economic funding to sports are distributed by Norsk Tipping, and because of a
close relationship between NIF and the government a formalized corporatist body was not needed. In that matter, the current procedures of allocating funds is viewed as a mixture of administrative corporatism and administrative lobbyism. Kirkedepartementet (2003) state that the government is using the scope of corporate actors as an important part of the political administration, which contributes to control stress, make the actors co-responsible and convey knowledge. The development of corporatism has changed the last years especially related to profitable industries which are moving towards a tendency of lobbyism. This change is also related to non-profitable organizations and voluntary organizations which has been the link between the members’ voice and the political system. Nowadays, it is not as important as before to be a member of an organization and a volunteer in purpose of supporting the ideology, for the participants it is more important to feel personal satisfaction, concrete achievements and pleasure which are affecting the corporatist system. Nevertheless, the corporatism related to sports interests is not changing as much as the profitable industry and it can be argued that the reason is related to the trend of using sports as an area to achieve personal benefits through effort and through the grade of personal impact. Memberships in NIF are increasing compared to other non-profitable organization where the member role and the culture of participation are impaired. In democratic system the communication between the local communities towards the society at large is important to be able to represent all small groups, and the voice of the members of all organized sports is communicated through NIF. In the corporatist system resources are unequally distributed, which is the opposite of the democratic system.

While Bergsgard et.al (2007) provides general overview of sports policy, Schalenkorf (2011) deals with sports event policy and suggests that events are incorporated entities of the society and can leverage several social outcomes through sustainable development. That is a promising idea as most of the research has been done mainly in terms of economic impacts of events. The idea is further supported by ‘sports event policy’ as Schalenkorf (2011) introduces a Sport-for-Development (S4D) framework. S4D is based on community participation and engagement of various interest groups to achieve desired event outcomes and can also be used as an ex-ante strategic method to monitor and evaluate social interactions. There are three main parts of S4D – sport event management, direct social impacts and long-term social outcomes. The first one deals with planning phase and proper organization of the event, contribution of local community and the change agent. The change agent is a group of external professionals getting together various interest groups in the
community. The change of agent’s role is to provide event management know-how and act as a responsible leader in order to engage the local community into the project. As the project is done, other two parts of S4D (direct social impacts and long-term social outcomes) can be traced. Community is enriched by the event experience as well as planning and organizational side of the event, thus new cooperation areas or a new project can be launched inside of the community without the need of the change agent. A sustainable development has been initiated. This is an ideal case of S4D, however there are many challenges to deal with, in particular identifying and engaging key players of local community into the event (e.g. government, representatives of the media), the process of organizing the event within the community should be continued and positive feelings related to the event exceed the negative ones. Finally, engagement of the change agent should be minimized and influence of the local community should be maximized. Although, examples of S4D projects illustrate the practice in non-European countries (South Africa, Games for Piece in Sri Lanka), the logic behind is certainly valid also for countries that are strategically untouched on sports events field in Europe.

The topic of event policy is very close to aforementioned findings such as essential part of sports policy called a dominant policy paradigm noted by Bergsgard et.al (2007). Further, business practices implemented by public sector discussed by Chappelet and Theodoraki (2006) are further subjects of analysis for Whitford (2009). She presents a detail framework of regional event policy that covers three interconnected areas – the event policy pathway, the event policy community, and event development paradigms. This framework has been designed in consistency with research among 219 policies in South East Queensland, Australia and resulted in recommendations and development of event public policy. The following facts were discovered: regional governments should be more proactive and flexible and prioritize entrepreneurial approaches; strategic event policy should be updated regularly, and the style of the event (i.e. cultural event, sports event, etc.) should be consistent with the focus of the events: socio-cultural, economic and environmental. Furthermore, the style of the event should fit to the region. Events were also deemed as supplements or even complements of main regional goals. Finally, the local government should pay attention to various event actors and reflect them on the event policy and also understand the connection between event tourism and regional development. It is an event development paradigm that supports the event policy intention.
Although many famous events are irreplaceable and characterized by the regional traits that underline regional significance, one can find regional development and regional sport event policy irrelevant to the matter of major sports events. Indeed, the highest peak of sports event life – Olympic Games are awarded to the city, i.e. local community.

Olympic Games are at the highest level of the event pyramid (see figure 4.6) and the IOC bid process is a 10 year timeframe which include two phases and an election of a host city (Barrett 2011). According to Barrett (2011) the IOC has requirements to the applicants, and the first phase of the process is to meet the requirements in purpose of become an accepted candidate host city. The applicant city phase includes some key factors which is critical in order to be able to place a successful bid. The key success factors are creating a strong vision in the city and region, embed sustainability and legacy, and obtain a definite understanding of the scope, scale, complexity and of the technical requirements. Furthermore, Barrett (2011) points out that the applicant city has to show that it is able to identify and develop strong partnerships with stakeholders on local, regional, and national level. The stakeholders listed by the IOC are the authority on all levels, key sport partners, national federations, and athletes. In the first phase the IOC executive board assess if the host city and its country are able to organize and stage the Olympic Games successfully. It is essential to compliance with the Olympic Charter, IOC Code of Ethics, World Anti-Doping Code, Candidature Acceptance Procedure, and other instructions and conditions from the IOC. Moreover, if the criteria are approved by the IOC the candidate city is on to second phase and the blueprint with candidature file and guarantees are created. The next step is to evaluate the technical risk assessment, highlight strength and weaknesses, and make sure that all aspects of the planning are covered. When all these criteria are covered by the candidate city and nation the IOC elect the host city. To be able to be a part of the process, and to be a candidate for hosting the peak of sport event life, the Olympic Games, it requires a long term planning policy which correlate with the specifications set in advance, and maybe also make room for innovative actions to the concept. According to Getz (2005) mega events like the Olympics requires establishments of new organizations that manage the financial legacy of the event. Mega events are trends that affect the whole society and extend over many generations, and are not fast-paces and short-lived fads. The slow developed trends are called mega-trends (Getz 2005) and consist of interaction between many different relations. Once a mega-trend is identified, numbers of branching trends can be detected and evaluated (Getz 2005).
Development of policies is needed in the planning process of bidding for the Olympic Games. The policies between cities and between regions will not be the same because of the differences in the competitive advantages of each one. To be able to governance the event activity the host or the organizer has to formulate policies and procedures, and obtain national consensus.

The implementation phase as well as the executive phase of regional sports policy or sports event policy can be a very difficult task as there is no best practice since every region is different. Nevertheless, Numerato (2009) formulates general barriers interfering in the effective process of regional public sports policy and introduce various approach of public sports support and sports clubs funding practices.

Barriers are represented as cognitive and structural constraints. Structural constraints deal with organizing structure and networking, while cognitive constraints focus on knowledge and communication. ‘Politicisation’ as a strong connection of politics and lobbyism to the sports environment is the first structural constraint. Allocation objectives advantageous to society, monitoring and evaluation of sports subsidies are replaced by allocation of funds based on political relationships and ad-hoc plans. Numerato (2009) points out politicisation in Czech sports as a strong public support of large private football and ice hockey clubs. Hence their contribution to sports for all (i.e. positive sports effect for the society) is arguable since a very high share of elite sports subsidies are in the regional sports budget as well. ‘Bureaucratisation’ is a second structural constraint that contributes negatively to the sports environment as responsible civil servants follow the rules, deadlines and do not create or exploit new chances and possibilities there is no space and time for enthusiasm and personal contribution. The rules are designed top-down. The last two structural constraints refer to ‘unwillingness to use evidence in policy-making process’ and ‘lack of interaction’ inside of public institutions. Cognitive constraints are following: ‘lack of knowledge’, ‘lack of information’, ‘low recognition of sport’ and ‘negative image of public administration’. The first two constraints correlate with each other as civil servants tend to decide and work ad-hoc with no vision and mission of their work, and subsidy receivers are not skilled enough to find other financial and organizational source and enough information to achieve own goals. Low recognition of sports means that other public goals are preferred at the expenses of sport and neither does negative public image of public institutions bring benefits to the sport environment.
As it was indicated, connection of sports and business open up for not only lobbyism but also for corruption. Transparency International (2009) proposes solutions of how to fight against corruption in sports governance area efficiently. They suggest partnership in activities that would lead to accountability between the society and the sports organizations, promotion of values among youth, implementation of code of conduct by international sports organizations, usage of due diligence by sports clubs owners.

2.4 An example of sports event policy

The topic of sports event policy was introduced by Leopkey, Mutter and Parent (2010). Their study is devoted to comparison of two sporting event policies, i.e. Canadian and Swiss sports event policies, on vertical and horizontal level. While vertical analysis is focused on in-house comparison (federal – municipal relation of policies in both countries), horizontal analysis compare sports event policies from national perspective (Canadian sports event policy vs. Swiss sports event policy). Although both countries are prestigious and well-known sports event organizers, it is Canada that has longer tradition of state sports event concept (since 1980s), while in Switzerland the state concept of sports event policy was not officially introduced at the time of research. Vertical comparison in Canada brings surprising findings – while federal concept of sports event support is rather strategic (in terms of setting goals for potential event organizers), municipal sports event policy in Vancouver put pressure on the criteria system that must be fulfilled by potential event organizers to obtain funding. Swiss vertical comparison took into account the Lausanne approach of sports events support and concludes that both federal and municipal levels provide inadequate information for potential event organizers. Time-limited legitimacy of sports event policy in Lausanne brings uncertainty on event organizers side and because of the Olympic character of the decision-making process a tendency to prefer Olympic sports events is on place. Horizontal comparison deals with similarities and differences on national level as well as municipal level. For the purpose of this paper, summary of municipal findings are neglected. Economic factors in form of high costs and organizational causes increase the chances that a bidding process is triggers for implementing/revising national sports event policy on both sides. Improving coordination between the state, cantons and municipalities is a specific need for Switzerland, better and transparent management is additional requirement for Canada. Regarding type of events, the Swiss concept emphasizes economic goals and prestigious
image of the country, while Canada is one step ahead as their sports event policy also includes focus on disabled and aboriginal people. Public funding of sports events in both countries relies on cooperation with third parties, because the state support is guaranteed at maximum 50%. As a response to public funding, monitoring and evaluating process is present in Canada. Nevertheless, its efficiency is arguable due to complexity of events and associated difficulties in measuring event outcomes.

These findings of horizontal and vertical comparison were further investigated by Leopkey, Mutter and Parent (2010) as barriers or facilitators of event polices for hosting sports events. Firstly, multi dimensional funding of events is deemed as a barrier in terms of higher organizational and coordination effort for event organizer but also as a facilitator due to higher amount of sources. Similarly, limited budgets of public sources for events are found as a barrier but also as a facilitator because event organizers are forced to find other sources of funding to make the events become more efficient. Specific budget allocation and so called ‘holdbacks’ (public funding of the event is granted ex-post as the event organizer delivered final financial statement/account of the event) are also noted as barriers. Second, non-existence of official sports event policy is deemed as a barrier because such setting requires more organization and coordination and does not provide desired amount of information for potential event organizers as the Swiss example shows. Third, sports event hosting policy can be both a barrier and a facilitator depending on the amount of information available within the policy. Finally, it is believed that the policy gives preferential treatments to sports events at the expenses of other events and improves relationship between all sports event stakeholders.

Leopkey, Mutter and Parent (2010) also contributed recommendations, suggesting to increasing flexibility of sports event hosting policy and increasing engagement of different stakeholders through the policy. Sports event hosting policy should be clear, accessible and provide enough information for potential event organizers. In addition, funding of bidding process should be taken into consideration in the policy.
3. Methodology

The process of knowledge transmission from an initial phase of asking a general research question to the research findings is described in this chapter.

3.1 Research design

Several methods have been adopted to answer the research question, primarily qualitative research techniques but also some quantitative research tools were used, as for instance secondary data exploration. Visualization of qualitative research procedures is provided by Bryman (2001, p. 267), see Figure 3.1.

Figure 3.1: Qualitative research procedures (Bryman 2001, p. 267)

1. General research question
   ↓
2. Selecting relevant site(s) and subjects
   ↓
3. Collection of relevant data
   ↓
4. Interpretation of data
   ↓
5. Conceptual theoretical work
   ↓
6. Write up findings/conclusions
   ↓
5a. Tighter specification of the research question(s)
   ←
5b. Collection of further data

The application of this framework on research, see Figure 3.2, starts with a general research question „Do the Czech Republic and Norway have a national policy for hosting major sport events?“. Potential answers and courses of further research are illustrated. To identify the Czech Republic and Norway information was gathered from sites, subjects and data, mainly documents, to answer this general research question. An answer was found which indicated that both countries have a national policy for hosting major sports events. This leads us from a general research question to a specified one: “What are the similarities and differences between them and do the policies correspond to tourism demands and current sports events
trends?” The investigation of this issue includes collecting more information and evidence of the topic. Finally, findings were gained.

**Figure 3.2: A general research question evolution**

Bryman (2001) differs between qualitative and quantitative research in his methodological study but it is worth noting that he admits that some authors do not distinguish between these two methods.

On contrary, Yin (1994) presents a research concept so called ‘case study’ where qualitative and quantitative methods are both represented in order to achieve research findings. Yin (1994, p 13) defines a case study as research of existing phenomenon and its context, and emphasizes an ambiguous line between the phenomenon and its context. Moreover, a large number of variables and extended amount of sources that underpin the research are next traits of a case study. Although he defines the nature of case studies by typical research questions starting with ‘how and why’, case studies that explain and describe are also accepted.

This research can be deemed as an explanatory case study, or more precisely ‘multiple case study’.
3.2 Data collection

Although the topic of sports policy is quite well analyzed by many authors, for instance Bergsgard et al. (2007) or Hobza and Novotný (2008), the topic of sports events policy has been overlooked by scientists so far. Thus, a detailed research on sports events field has to be firstly underpinned by general overview that summarize sports development in Norway and the Czech Republic in order to full comprehension of sports event policies later on. Though event business described by Getz (2005) is professionalized and independent industry, one has to bear on mind that it is the relation to sport that makes the event and event experience important and interesting for all stakeholders. Therefore, development of sports and sports policy is described in detail for both countries based on secondary data, mainly printed as well as electronic publications, scientific papers, bulletins and studies, PhD thesis, newspapers and e-newspapers articles, governmental and non-governmental documents, and declarations.

Criticism can be addressed to this part of the study as a non-relevant research since many authors have already discussed sports policy in their studies. Indeed, sports policy is well-explored topic, however the unconventional angle of this thesis that focuses on correlation of sports and events development and their changeover is fresh and beneficiary.

In-depth understanding of sports evolution in the Czech Republic and Norway opens the research on events field as major sports events hosted in both countries have been identified. Authors assume that mapping phase of hosted events is an important part of research to learn if the country has a potential to implement a legal framework of hosting sports events. In case, that only minor-impact sports events are hosted, the need of legal framework is groundless. An enormous number of sources have been analyzed to evaluate the significance of major sports events hosted in the Czech Republic and Norway. A similar method that has been introduced by Gratton, Dobson and Shibli (1999) regarding differentiation of major sports events has been applied in the case of this thesis. As major sports events were labeled events that have significant media and spectator coverage, international athletes’ participation and can be characterized as one-off events or recurring (annual) events. Information regarding hosted events was obtained via e-newspapers and e-magazines articles, web pages of the events and sports governing bodies, expert studies and master theses. Hence, this research brings almost encyclopedic information of events hosted in both countries in previous and current century. Moreover, own research of hosted major sports events brought findings that are further investigated in correlation with state sports event policy and declared objectives.
and facts. Such method offers another point of view on structure of major sports event in both countries. Despite of authors’ effort to trace and find all accessible information, there is a slight chance that some major sports events could be omitted.

Final part of the research – description of sports event policies and their comparison, is influenced and inspired by Leopkey, Mutter and Parent (2010), research pioneers of sports events policies and their work regarding Swiss and Canadian event hosting policies, see literature overview. While they focus on comparing both policies on national and municipal level, this paper is devoted to comparison on national level. Czech governmental concept of hosting major sports events was studied through internal documents of Ministry of Education, Youth and Sports provided by responsible person of the department of Sports, Ministry of Education, Youth and Sport and also via official governmental documents. Thereby, secondary analysis could be conducted and provided subsidies. Subsidy receivers and other facts could be gathered and analyzed along with official provisions, previous and current statements of responsible representatives of bureaus, and the actual situation on major sports event field in order to independently investigate proclaimed policy and its outcome.

Furthermore, unstructured interviews have been carried out with a representative of governmental agency Czech Tourism. History of Norwegian major sports events hosting policy is not covered in the research because of low information value nowadays. A brand new concept of hosting both sports and culture events was presented by governmental agency Innovation Norway in the beginning of this year and is also discussed in this thesis. Both concepts are further compared and differences and similarities identified as well as an influence of contemporary trends in event industry. The event trends are stated as a red thread in literature overview and similarly are trends in event industry treated in research and discussion part of the thesis. The main weakness of the final part of the research is a single body (governmental) perspective on the issue. Limited time of research has not allowed conducting surveys or interviews with other subjects (international sports governing bodies, representatives of sports organizations/regions/government, etc.).

General advantages and drawbacks of methods used in research are summarized by Yin (1994), see Table 3.1.
# Table 3.1: Advantages and drawbacks of applied methods (Yin 1994, p. 80)

<table>
<thead>
<tr>
<th>Type of the method</th>
<th>Advantages</th>
<th>Drawbacks</th>
</tr>
</thead>
</table>
| Documentation       | - **Stable**, can be reviewed repeatedly  
                      - **Unobtrusive**, not created as a result of the study  
                      - **Exact**, contains exact names, references, and details of an event  
                      - **Broad coverage**, long span of time, many events, and many settings | - **Retrievability**, can be low  
                      - **Biased selectivity**, if collection is incomplete  
                      - **Reporting bias**, reflects (unknown) bias of author  
                      - **Access** (may be deliberately blocked) |
| Archival Records    | - Same as above for documentation  
                      - Precise and quantitative | Same as above for documentation  
                      - Accessibility due to privacy reason |
| Interviews          | - **Targeted**, focuses directly on case study topic  
                      - **Insightful**, provides perceived causal inferences | - **Bias due to poorly constructed questions**  
                      - **Response bias**  
                      - **Inaccuracies due to poor recall**  
                      - **Reflexivity**, interviewee gives what interviewer wants to hear |
3.3 **Validity and reliability**

The quality of the research is generally judged according to validity and reliability aspects. With regard to Bryman (2001) reliability deals with stability of applied research methods (usage of chosen research method will produce same results time after time) and validity corresponds to legitimacy of applied research method and its relation to the subject of research. Both aspects were taken into consideration during the conducting of this research. Moreover, values and beliefs of the researchers are significant factors that influence the research outcomes (Bryman 2001). Therefore, motivation of this research is discussed in introduction, and methodology is described in-depth in order to ensure comprehensive understanding of this thesis.
4. Research findings

In the next chapters the historical development in sports in the Czech Republic and Norway is presented, followed by description of how the public support sport financially, and an overview of major sport events hosted in both countries. Finally, the findings of the research is summarized and presented in chapter 4.5.

4.1 Historical development in the Czech Republic

History of sports and events as well as the way of public finance allocation is described in this chapter.

4.1.1 Sport evolution in Czechoslovakia / the Czech Republic

Structure and funding of Czech sport is influenced by cultural and historic milestones important for Central Europe region.

Insight into evolution of Czech sports is provided by Česká Obec Sokolská (2007a, 2007b). The beginning of modern sport and sport activities is dated back to the end of 19th century (1862) as sports club Sokol1 was established in Prague by Miroslav Tyrš. He and other representatives of former Czech culture and political movement were influenced by democratic ideas and increasing national ambition to separate from Austro-Hungarian Empire. Sokol clubs spread throughout the country and even overseas (USA) and focused on developing sport abilities in gymnastics, athletics, fencing, weightlifting, wrestling, swimming, rowing, equitation and figure skating as well as developing bright mind via cultural and national awareness. Synthesis of body and mind approach was inspired by ancient antics culture, the pillar of democracy. Hence, democratic and national awareness fundamentals along with well-balanced athleticism of individuals created ideological background for modern sport in the Czech Republic.

Expansion of Sokol boosted up construction of required infrastructure; these buildings are known as ‘Sokolovny’. According to Sedlecký, Kuda and Zeman (2009) unique architecture and layout underpinned athletics and cultures events held in these buildings, and such facility

1 Sokol as a Czech word stands for a falcon
became a heart of life in a town/village. These facilities remain up to present date and many of them still provide space for leisure time activities.

The success of Sokol was a trigger for other movements to establish similar sport clubs, the most famous one was Orel\(^2\) with more religious ideology behind, i.e. Catholicism, as a source (Czech Republic - The Official Website 2010) indicates both clubs were forced to stop their activities during Nazi occupation, communism regime and Soviet occupation as their ideology was not consistent with the official one.

Indeed, ideas and principles were stated clearly and supported by Sokol events:

> "Sokol organization was growing constantly and step by step earned public esteem. Its events were basically national demonstrations, because Sokol stated straightforwardly the fight against oppressive regime in its program and regarding sports education, defense training was on a list of activities"

(Česká Obec Sokolská 2007c)

A very high number of members\(^3\) and their willingness to defense national interests were dangerous for any kind of oppressive regimes. Therefore, large sports and culture exhibitions of body and mind activities held on national level, so called “Všesokolský slet\(^4\)”, symbolized not only athleticism but also national awareness and mainly serious menace to undemocratic political parties. In particular, Všesokolský slet held in 1938 and 1948 demonstrated public emotions with respect to upcoming political change (Česká Obec Sokolská 2007c).

The amount of participants and attendees significantly increased in time of difficulties and hard conditions. Table 4.1 gives an overview of Všesokolský slet. From today’s point of view, Všesokolský slet was a major public sports event with thousands of participants, attendees and meaning for Czech nation.

\(^2\) Orel as a Czech word stands for an eagle
\(^3\) Nearly 1 million members in years 1918 – 1938 (Česká Obec Sokolská 2007d)
\(^4\) 'Všesokoloský slet' stands for All Sokol’s members rally, i.e. social gathering of all Sokol’s members
Regardless Sokol’s initiative leading role on sports field in the first half of 20th century, other sports and sporting clubs were also established and grew independently of Sokol. Among these sports were football and ice-hockey, the most popular sports nowadays (Janák 2009). Both sports were introduced by enthusiastic individuals who brought these sports home from England and France. International football events have never been held in Czechoslovakia or the Czech Republic except friendlies or qualifying rounds for major football events. Nevertheless, ice hockey stepped on international events level very soon, World Championship (WC) was held in Prague as early as 1933, the same venue regain WC in 1938 and also in 1947 (International Ice Hockey Federation 2012). Cross country skiing also contributed to major sports event history as the first FIS Nordic World Championship was hosted in Janské Lázně in 1925. The event was supported by rich culture program (the opening concert staged an opera singer of National Theater) and despite of bad weather conditions, the total attendance was 12,000 spectators (Tichý 2011).

Strachová (2011) points out other sports bodies and movements contributing to sports development, for instance: Czech Tourist Club, Junák – Association of Czech Scouts, English Rowing Club in Prague, Skiing Association, Cycling Association, YMCA, YWCA, etc. Moreover, Czechoslovak Olympic Committee was founded. Nevertheless, the explosion of new sports and sports club has been stopped by World War II. The end of 1950s related with communist accession brought the major change also for Czech sports as all sports associations were merged into one centralized unit. The transformation was finished in 1958, when the

<table>
<thead>
<tr>
<th></th>
<th>Number of participants</th>
<th>Number of attendees</th>
<th>Venue</th>
</tr>
</thead>
<tbody>
<tr>
<td>IX. Všesokolský slet 1932</td>
<td>188,004</td>
<td>&gt;1,000,000</td>
<td>Prague, Strahov</td>
</tr>
<tr>
<td>X. Všesokolský slet 1938</td>
<td>348,086</td>
<td>&gt;2,000,000</td>
<td>Prague, Strahov</td>
</tr>
<tr>
<td>XI. Všesokolský slet 1948</td>
<td>585,000</td>
<td>2,000,000</td>
<td>Prague, Strahov</td>
</tr>
</tbody>
</table>
centralized sports association called ‘Československý svaz tělesné výchovy’ (ČSTV)\(^5\) was established and anchored with related laws and regulations in Czechoslovakian judicature. ČSTV was organized in compliance with communistic ideology, Central Committee of ČSTV was responsible for governance of entire organization, and regional and municipal subsidies follow its guidance. ČSTV activities aimed at organizing sports for children, youth, and inhabitants in general as well as elite athletes. Consequently, sports infrastructure, sports research and science, education of trainers were embedded in ČSTV responsibilities. Funding of the organization was based on Sazka lottery as a part of ČSTV organizing structure.

Physical education under ČSTV governance led to major sports event, so called ‘Spartakiáda’. A recurring event, an exhibition of gymnastic skills was similar to Všesokolský slet but what had changed was the ideology behind, Spartakiáda served as a symbol of communist power and unity (Strachová 2011).

Minor changes updated the centralized sports system in subsequent years and ČSTV remain a stable organization until 1989. As the end of 1950s is characterized as a negative shift in Czech history, the positive one is related with the Velvet Revolution in 1989, regaining freedom and also with phenomena called ‘wild-90s’ as a lack of regulations and laws allowed uncontrolled growth of business and also many new organizations on sports field.

This atmosphere is also confirmed by Strachová (2011) as she found examples of democratization and decentralization of sports system and renewing activity in many sports organizations (Sokol, Orel, YMCA, YWCA, Junák – Association of Czech Scouts and so forth)\(^6\). Furthermore, ČSTV also walked through restructuring procedure as the voice of sports associations was strengthened and equal to the regional ČSTV subsidiaries which were responsible for administration part of sports business. Moreover, during this transition phase, ČSTV changed several times its name and got inspired by best-practice lessons in Austria and Germany, and mainly decentralized assets towards the sports associations. Split up of nations in 1993 also influenced sports, ČSTV abbreviation remain the same but the name has changed to Český Svaz Tělesné Výchovy\(^7\). Regarding Sazka lottery, the organization was divided between the Czech Republic and Slovakia (as well as the former ČSTV organization), and

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\(^5\) ČSTV stands for Czechoslovakian Association of Physical Education
\(^6\) Notwithstanding that Sokol and Orel regain their status on sports and culture field, the glory of these sports organizations is assigned to their origins in the first half of 20\(^{th}\) century.
\(^7\) ČSTV stands for Czech Sports Association
Sazka was established as a public limited company in the Czech Republic. Sazka shares were divided between sports associations and ČSTV, so all sports bodies could participate in Sazka profit.

International Olympic Movement also noticed the split of nations as Czechoslovak Olympic Committee was replaced by Czech Olympic Committee and Slovak Olympic Committee. According to Kolář (2009), Věra Čáslavská, a famous gymnast of 1960s, was a first president of Czech Olympic Committee (COC) and her successor – Milan Jirásek was appointed in 1996. Milan Jirásek is still in charge and under his supervision many projects and Olympic ideas as Sports for All, Woman and Sport, Sport and Ecology were introduced (Kolář 2009).

Olympic Games and elite sports level are in similar relationship as army and elite sports athletes. Hence, the fact that many famous Czech elite athletes have been organized and employed by Ministry of Defence and Armed Forces of the Czech Republic should be pointed out. Defence and sports were already matched together in Sokol era, and today it is Army Sports Center Dukla that gathers elite athletes from all regions of the Czech Republic (Novák 2012).

Sports development in Czech lands was also influenced by legal and strategic commitments. Legal Act no. 129/2000, Coll. set up a legal basis for establishing regions (see Annex 6.1) in the Czech Republic and provides legal authority for each region. Thus, regional independence was strengthened and in consistency with ‘subsidiary principle’, so the Czech Republic was prepared to join European Union.

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8 The Czech Republic became a European Union member in 2004.
4.1.2 Concept of public sports support in the Czech Republic

“Current situation in Czech sport can be restrainedly compared to November, 1989. The top committees represented by ČSTV and ČOV entirely failed and politic representation of our country turned their back on us. Thereby, the entire sports environment went to rack and ruin and struggle for life“

Miroslav Jansta, a new chairman of ČSTV (Kasl 2012)

Opening statement of Miroslav Jansta provides an overview of current (February, 2012) situation of Czech sports. Although it was a genius idea of Czech sports associations to establish a lottery company as PLC and enjoy regular dividends, managerial phase of this project failed and resulted in bankruptcy of Sazka lottery. On that account a lack of finance for Czech sports environment mainly due to passivity and disregard of ČSTV as a main stakeholder of Sazka a.s. Although it is mainly ČSTV, a joint-venture organization, that paid the highest price for own failure, bitterness is a matter of fact in Czech sports environment. The last sports affair revealed the fact that Milan Jirásek, a president of Czech Olympic Committee and a member of Sazka executive board, was overpaid by Sazka lottery as he gained 18.2 million CZK in period 2002 – 2010 (Mádl and John 2012).

The peak of the crisis in Czech sports is assigned to the end of March, 2011 when Sazka officially went to bankruptcy as Aleš Hušák, a CEO of Sazka a.s., failed in his top-management role (Drtina 2011). Furthermore, Sazka was declared insolvent and in the end sold to PPF and KKCG investments groups. Under roof of new owners, Sazka renewed lottery activities and became independent business once again.

While all Sazka shares were hold by investment groups PPF and KKCG, depression across sports environment was spread fast as most of ČSTV assets was bonded into no-valid shares. Thus, ČSTV was awaken from the wealth dream and called a meeting to order. The meeting resulted in arranging of new elections in January, 2012. The only candidate Miroslav Jansta, a lawyer, a lobbyist and a president of Czech Basketball Federation, was elected as a new chairman of ČSTV and proclaimed a new transformation of ČSTV (Kasl 2012). An overview of Czech sports evolution is illustrated in Figure 4.1.
Why was Sazka bankruptcy such a disaster for Czech sports? Structure of finance in sports is discussed in the next chapter.

**Public financing of Czech sport before Sazka bankruptcy**

Financial public support of Czech sports consisted of Sazka’s profit contribution, subsidies of Ministry of Education, Youth and Sports, governmental subsidies of regional and municipal non-governmental organizations, and a small amount of sports associations’ dues (Hobza and Novotný 2008).

Fragmented finance in sports is linked to an uncontrolled public sports policy, authors Hobza and Novotný (2008) stated this phenomenon as an uncoordinated sports support between: state and sports organizations, state and regions, state and municipalities as well as the horizontal relationship at the bottom level, see Figure 4.2.
Figure 4.2: Uncoordinated sports support (Hobza and Novotný 2008)

Core data about financing through state is based on findings of Hobza and Novotný (2008), see Table 4.2.

Table 4.2: State and regional finance of Czech sport (Hobza and Novotný 2008)

<table>
<thead>
<tr>
<th>(in thousands CZK)</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>State subsidies</td>
<td>1,497,000</td>
<td>1,619,000</td>
<td>1,770,000</td>
</tr>
<tr>
<td>Regional subsidies</td>
<td>864,100,000</td>
<td>8,548,000</td>
<td>9,200,000</td>
</tr>
</tbody>
</table>

With regard to subsidies of Ministry of Education, Youth and Sport, governmental document Analýza financování sportu v České republice (2009) deals with comparison of financial support of sport among European Union countries and revealed that the Czech Republic belonged to the countries with the minimum amount of public finance devoted to sports per inhabitant. The only countries behind were Malta and Bulgaria.

This study is used as an example of poor funding of Czech sports by sports representatives and politics. However, the other side of the coin is the lack of qualitative as well as quantitative data of this analysis, and only 13 states returned the survey, so incomplete data had to be statistically calculated. Moreover, this data did not include Sazka provision to Czech sports and it is unclear if this analysis among EU members included revenues of national lotteries or not. Considering the fact that all these drawbacks of the analysis are stated directly in the document, the analysis is used as a Czech sports lampoon.
Nevertheless, the study (Kocourek J. et al. 2009) also shows the evolution of public finance expenditures (government subsidies and lottery funding) with relation to GDP and stated this ratio as a low, under 0.15 % in period 2000 – 2008.

Finally, development of Sazka revenues is stated in Table 4.3.

**Table 4.3: Revenues of Czech sport through Sazka lottery (Sazka 2010)**

<table>
<thead>
<tr>
<th>(in thousands CZK)</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income of Czech Sport via Sazka lottery</td>
<td>1,101,500</td>
<td>1,284,449</td>
<td>1,074,275</td>
<td>1,036,895</td>
<td>991,214</td>
<td>863,565</td>
<td>910,834</td>
</tr>
</tbody>
</table>

To conclude, municipality subsidies covered largest part of public finance, state and Sazka lottery provided additional support.

**Public financing of Czech sport in 2012**


According to Ministry of Education, Youth and Sports (2011) the content of aforementioned legal commitments is executed via National sports support for 2012 and is based on year after year subsidies for all applicants who conform to the provisions. Nevertheless, only 17 % up to 35 % of applications can be satisfied due to limited amount of finance in state budget. The main provision is related to the form of the organization, state subsidies can be provided only to non-governmental organizations (NGO). Applicants can address their needs into non-investment and investment areas. Non-investment domain is further divided to Athlete Representations and General Sports Activity, see Figure 4.3. Ministry of Education, Youth and Sports (2011) further notices the absence of Sazka revenues for sports organizations, despite this fact, and state budget for sports was even decreased by approximately 71 million CZK compared to previous year.
Regional and municipal sports policy is based on grant policy, and a beneficiary policy is usually a NGO organization or organization affiliated to sports education or sports in general (Hobza and Dohnal 2008). Regardless the state concept of sports, regional authorities are allowed to create own regional sports policy and there is no pressure on regional authorities to cooperate with one another (Hobza and Novotný 2008). In other words, regional sports strategies can be independent to the large extent on state strategies and aims. Even though that finance is redistributed from the state budget to the regional budgets, the power-balance position of the state is low and local interests are empowered.

This phenomenon is very well known as a ‘subsidiarity principal’ in public finance area and is anchored with European Union law as a fundamental principal (European Commission 2010). Although the subsidiarity limits the centrality of political system, democratic salience of subsidiarity principal can be easily displace in the event of lack of monitoring and control. While European Union support in form of regional grants and funds consists of monitoring and ex-post evaluation of the project, regional sport support based on state-budget redistribution is characterized by absence of plans and mainly measurable goals (Hobza and Skoumal 2010). Strong lobbyism and arguable assemblage of sports commissions, which decides about regional sports grants and subsidies (representatives of these commissions are
sometimes the same persons as those, who ask for the grants) are the main disincentives on regional sports policy level (Hobza and Novotný 2008).

The next source of cash flow for regional and municipally sports are projects based on recently very popular ownership – Public Private Partnership. Synergies of public and private partnerships are mainly achieved in large-scope investment projects such as spa-centers or vacation spots (Hobza and Novotný 2008).

Although Sazka dividends are no longer available for Czech sport, other lotteries are partly involved in financing of public services and sport. A new legal framework was ratified by the end of 2011 and roughly speaking means that a tax on gambling business is redistributed as follows: 80% of tax is income of municipalities budgets, 20% of tax is income of state budget, overall expected income is 8 billion CZK (Němec 2011)

4.1.3 Major sports events in Czechoslovakia / the Czech Republic (1948-2012)

Všesokolský slet and Spartakiáda belonged to major sports events as well as the Ice Hockey World Championships in the first half of 20th century in Czechoslovakia. Apart from political regime, sports activities and sports events belonged to everyday’s life and have developed continuously.

Brief overview of sports events hosted by Czechoslovakia or the Czech Republic is provided in this chapter with respect to the popularity of the sports and media coverage, so these events can be categorized as major sports events.

Survey among society conducted by Janák (2009) ranked sports according to the individual willingness of financial support and resulted in following order: handicapped sports, athletics, ice hockey, skiing, swimming, volleyball, basketball, football, figure skating, handball, canoeing, cycling, artistic gymnastics, motorsport and tennis. Summary table of popular Czech sports throughout the time by Janák (2009, p. 99) also states most of aforementioned sports as the most popular ones. On top of that, speed skating, shooting, snowboarding, aerobic, snooker and box are deemed as attractive sports as well. What kind of popular sports staged own events?
In case of ice hockey, World Championship took place in Czechoslovakia in 1959, 1972, 1978, 1985, 1992 and in the Czech Republic in 2004 (International Ice Hockey Federation 2012). The last World Championship hosted in the Czech Republic made a profit in amount of 80 million CZK and attracted 552,097 ice hockey fans (Knap 2004). The next major ice hockey event is Euro Hockey Tour. The event series among national teams of the Czech Republic, Sweden, Finland and Russia is held in each of the country throughout the year.

Concerning winter sports, cross country skiing and alpine skiing are very popular amateur sports in the Czech Republic. Both sports along with swimming are even mandatory courses for school children at elementary school. Therefore, skiing on professional level is also supported by public funds, and attracts event spectators as well as TV-viewers.

The major skiing event FIS Nordic World Ski Championship took place in Liberec\(^9\) in 2009. The study by Štěpánková (2009) revealed an estimated number of spectators below 170,000. Regarding Polák (2009) 399,000 viewers watched the event on average on Czech Television channels, while international broadcasting resulted in 478 million TV-viewers (International Ski Federation 2012). However, in the eyes of Czech society, event organizer’s inefficiency and high debts have thrown the overall experience of the event in the shade. The total amount of debt was 108 million CZK, higher expected ticket sales returns and high investment costs related to the construction of new stadium were the main reasons behind the debt. On account of that, Ministry of Education, Youth and Sport set new event policy rules into action as the public support is limited to maximum 50% of the total amount of event costs (Kopecký 2011). ‘Liberec 2009’ story continues as limited transparency and high investment cost which led to charge against some of organization committee members (Transparency International 2009).

Golden Ski is next important ski event with a long tradition dated back to 1934 in Vysočina Region and has been on FIS World Cup schedule since 1995 (Vymazalová 2011). Vymazalová (2011) also stated expected event costs as 9.8 million CZK, revenues as 11.52 million CZK and public subsidy in amount of 1.5 million CZK in 2007. Golden Ski attracted 22,000 spectators in 2012 (Nechvátal 2012).

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\(^9\) Liberec is a county town of Liberec Region.
Jizerská 50, a cross country skiing event with focus on marathon distance gathers both professionals and amateur skiers in one race and is hosted in Liberec Region. Jizerská 50 is recognized as FIS event and opening event of Ski Classics events as well as the in Worldloppet skiing event series (Jizerská 50 2012). Moreover, the 45th classic attracted 6,255 skiers from 31 countries and media coverage consisted of national TV and radio broadcasting, TV-rights were distributed also on international level for other TV-channels.

The popularity of the next winter sport - biathlon spread in Czech lands as in other European countries fast. E.ON IBU World Cup in Nové Město na Moravě was hosted for the very first time in 2012. The venue is the same as in the case of Golden Ski. The Biathlon World Cup was supported by more than 40,000 spectators (Kučerová 2012).

Harrachov, a winter sport venue in Liberec Region hosted several major ski-jumping events. The last one, FIS Ski Jumping World Cup took place in December, 2011. FIS Ski-flying World Championship was hosted in 2002 and other World Championships were held in Czechoslovakia in 1992 and 1983.

Nordic combined, the sport covering cross country skiing and ski-jumping, is also rooted on Czech sports events scene. Liberec, the host city of FIS Nordic World Ski Championships 2009, has been a venue also for Nordic Combined World Cup since 1995.

Minority sports events as ski-cross, snowboarding and skateboarding are hosted regularly in the Czech Republic. Board sports events are represented mainly by snowboarding and skateboarding events. Snowboarding event FIS European Cup took place in Mariánské Lázně in past three years and skateboarding event Mystic Sk8 Cup is held annually in Prague since 1994. Although both sports events are at the edge of main-stream media focus, FIS European Cup enjoyed approximately 2,000 spectators in 2011, and Mystic Sk8 Cup, one of the World Cup Skateboarding events, attends over 12,000 spectators on average (Svaz lyžařů České Republiky 2012; Šafařík 2011).

From ice hockey, skiing and minority ‘alternative’ sports, and back to main stream sports events.

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10 Mariánské Lázně is located in Karlovy Vary Region.
Tennis, a gentleman’s sport, is traditional sport also in Czech sports environment, in particular Davis Cup and Fed Cup emphasizing team play over individual success are popular tennis events. The final of Davis Cup was held in 1980 in Prague, Czechoslovakia (International Tennis Federation 2012). Tradition and international recognition of Czech tennis players set a stage for qualifying rounds and even play-offs taking place in the Czech Republic in few years later. Since the beginning of new millennium a private company Česká sportovní a.s. is the main event organizer of Davis Cup and Fed Cup in the Czech Republic (Česká Sportovní a.s. 2011). The last Davis Cup staging in the Czech Republic attracted 334,000 TV-viewers (Aust 2012). Regarding spectators, around 10,000 visitors attended the venue each day of the event in 2009 (Telefónica Czech Republic a.s. 2009).

Czech Tennis Association and a private company TK plus a.s. stage another important tennis event - Unicredit Czech Open. The tournament of singles-men and doubles-men was awarded by price money in amount of 15,300 USD, 6,600 USD respectively in 2011 (Unicredit Czech Open 2011). Both private companies – Tk plus a.s. and Česká sportovní a.s. have the same CEO – Miroslav Černošek.

Tennis and golf are deemed as business sports of white collars. If tennis events are popular in the Czech Republic how is it with golf then? A pro golf tournament Casa Serena Open is hosted in Kutná Hora and belongs to the European Senior Tour series. Limited number of professional players, prize money in amount of 400,000 EUR and international TV-coverage are the main features of the tournament (Casa Serena Open 2012).

Back on track literally, Česká sportovní is also an event organizer of another major sports event – Ostrava’s Golden Spike, an athletic meeting and a member of IAAF event chain (Pšenička and Štětka 2011). Golden Spike claimed 22,000 spectators on place and TV coverage in 160 countries in 2011 (TK Plus 2012). Josef Odložil Memorial, hosted in Prague, is next recurring international track and field event since 1994 and one of the European Athletics Outdoor Premium Meetings (Czech Athletic Federation 2011a). Prague International Marathon (PIM), a meeting of professional as well as amateurs athletes represents the last recurring major sports events on Czech athletic field, run experience in the hearth of Prague gathered over 8,000 participants in 2010 and PIM is considered in top ten of world marathons (Prague International Marathon - Maraton Praha 2012). Likewise, several

11 Ostrava is a county town of Moravia-Silesia Region.
athletic one-off international competitions took place in the Czech Republic, for instance International Indoor Match in Combined Events in Prague in 2012 or European Athletics U23 Championships in Ostrava in 2011.

Historical archives (FIBA 2009; FIBA Europe 2012a, 2012b, 2012c) revealed that many basketball events were hosted in Czechoslovakia in past. For instance, Eurobasket was hosted in 1947 and in 1981, European Championship for Women in 1956, World Championship for Women in 1967, The European Cup for Women’s Champion Clubs in 1972 and Ronchetti Cup in 1976, and the main current one is World Championship for women. FIBA World Championship for Women 2010 was staged in Brno, Ostrava and Karlovy Vary just one year after unsuccessful major event FIS Nordic World Ski Championships 2009. Therefore, event organizers had to struggle with pessimistic view of society, media as well as sponsors. Fortunately, sports outcome of the event was positive as well as the economic one – approximately 2 million CZK profit (idnes.cz 2010). Over 165,000 spectators attended basketball matches and 140 TV-channels bought TV-rights (Pešta 2010; Basketmag.cz 2010). Czech Basketball Federation, the event organizer of World Championship for Women 2010, has confirmed event organizing skills already in 1995, when they hosted European Championship for Women and later in 2001 as they organized World Championship for Junior Women (FIBA 2009).

Regarding another indoor team sport - volleyball, World Championships for men were hosted in 1944 and 1966 in Czechoslovakia and World Championship for women was hosted in 1986 (Czech Volleyball Federation 2010a, 2010b). European Championships for women were held in Prague in 1949 and 1958 and in Brno in 1993 and 1997, while European Championships for men were held in 1958 and 2001 in Prague and also in 2011 as the event was co-hosted with Austria (Czech Volleyball Federation 2012a, 2012b). The last mentioned event took place in Prague and in Karlovy Vary, and latter venue visited over 22,000 attendees (KV Arena 2012). Although volleyball is an indoor sport, beach volleyball as an outdoor alternative has spread fast across the Czech Republic. Construction of new beach volleyball courts is a matter of fact nowadays and beach volleyball event with international sports impact – FIVB Beach Volleyball Swatch World Tour, Prague Open - attracted over 5,000 spectators in 2011 (FIVB 2011).
The list of major sports events should not skip handball and figure skating. Although both sports were hosted in Czechoslovakia many times, any major sports event was not held in the Czech Republic in past 10 years.

Outdoor major sports events are represented namely by riding and driving sports - cycling, horseback riding and motorsport.

Velká Pardubická\textsuperscript{12}, a steeplechase with tradition from 1874 is one of the toughest horse races in Europe, the overall distance 6,900 meters is enriched by many jumps, in particular Taxis Ditch, one of the most difficult one in the world (Česká Pojišťovna 2011b). The reward for the winner is more than sweet as 4.5 million CZK were in the pot of prize money in 2011 (Česká Pojišťovna 2011a). In addition, almost 45,000 spectators cheered for best jockeys and their horses, and over 1.2 million TV-viewers watched broadcasted race in 2010. Moreover, TV-rights were sold to UK, Irish and Slovak channels (Pardubický Deník 2010). Another major horse-race event is Czech Derby in Prague, the most significant flat race in Central Europe with the price money in amount of 2.5 million CZK (TMM s.r.o. 2012).

Let’s go from a horse saddle to a bike saddle. According to Union Cycliste Internationale (2012a, 2012b, 2012c) Mountain Bike World Cup was hosted in Nové Město na Moravě in 2011 and will be held in 2012, Cyclo-Cross World Cup is hosted regularly in Tábor and newly in Plzeň and European BMX Championships have been held in Klatovy\textsuperscript{13}. Mountain Bike World Cup in Nové Město na Moravě was elected as a best cross country event in 2011 by riders, teams, media and cycling government body representatives because of excellent organization, TV production and high-rate attendance (UCI Communication Services 2012). The most famous cycling event among Czech society is perhaps Cyclo-Cross World Championships that were held in Czechoslovakia in 1972, 1987 (Cyclocross magazine 2010). The tradition of this sports event was kept even after Velvet Revolution and the World Championship in cyclo-cross was held in 2001 and 2010 in Tábor, the same venue as Cyclo-Cross World Cup. Both events were organized by private company Agentura Cyklistika s.r.o. and the last volume of the event has noted over 17 million TV-viewers and 340 accredited journalists (Průchová 2010), and on top of that almost 40,000 cycling fans supported professional bikers (Handrejch 2010).

\textsuperscript{12} Velká Pardubická takes place in Pardubice, Pardubice Region.
\textsuperscript{13} Tábor is located in South Bohemia Region, Plzeň and Klatovy are towns in Plzeň Region.
Motorsport also found a large number of fans in Czechoslovakia and the evidence is given by Barum Rally that has been staged in Zlín Region since 1971. The competition was driven by amateurs but later on was fully professionalized and became a member event in motorsport international competitions series such as FIA European Rally Championship and Intercontinental Rally Challenge (RALLYE ZLÍN spol. s r.o. 2012). The event attracted around 250,000 spectators (Auto.cz 2011) and media coverage was represented by Eurosport broadcasting and over 300 accredited journalists in 2011 (RALLYE ZLÍN spol. s r.o. 2012).

The Road Bike Grand Prix, far more famous motorsport event, has been held since 1965 in Brno (Automotodrombrno 2011a). Moto GP, former The Road Bike Grand Prix, has taken place in Masaryk’s circuit, Brno since 1993 (MotoGP.com 2001). Moto GP in Brno attended 238,000 visitors in 2011 and media coverage of this event is world-wide - Al Jazeera Sports, Super Sport, ESPN, British Eurosport, etc. (Uhlíř and Šimek 2011; Dorna Sports S.L. 2001). Although the circuit was intended to be part of F1 races, motorbikes have prevailed. Indeed, Brno circuit has been a venue also for Superbike World Championship since 2005 with estimated number of spectators of 60,000 (Automotodrombrno 2011b).

Speedway race called Golden Helmet is recurring and traditional sports event in Pardubice. The first edition of the event was held in 1929 and attracted large crowds of spectators very soon, a highest number of spectators – 120,000 attended events in 1947 and 1949, however the venue changed the place in 1964 and amount of spectators decreased to 11,000 (Mach 2010). In 2010, the event attracted 15,000 spectators, Czechs as well as foreigners, mainly Germans and tourism impact on the town was huge as most of the accommodation facilities were sold out (Pavelková 2007; ČTK 2010). Another speedway race is also hosted in Prague and known as Czech Grand Prix.

The last motor sports event worthy to mention is FMX Gladiator Games that took place regularly in Prague from 2000 till 2011. Extreme free style motocross exhibition and race attended 16,000 spectators in 2010 (FMX Gladiator Games 2011). Similar exhibitions/sports events have became popular in Czech lands, for instance the opening match of NHL series between Tampa Bay Lightening and NY Rangers was arranged in Prague in 2008, Ice Olympic Tour of figure skater Evgeni Plushenko in 2010 or box exhibition Warrior of the Ring in 2011.
The overview of major sports events hosted in the Czech Republic can be symbolically concluded by rowing greeting ‘Ahoy’ as it is commonly used during informal meetings in the Czech Republic as a greeting as well as a farewell, and is very tightly bonded with amateur canoeing sport which is a very popular summer activity for many Czechs. Thus, it is not surprising that Canoe Slalom World Cup has been hosted in Prague since 1992 and Canoe Slalom World Championship was held at the same place in 2006 (Mašková 2007). Canoe Slalom World Cup attracted thousands of attendees and was broadcasted by Czech Television and Eurosport (Slalomtroja.cz 2010a, 2010b).

As it has been already stated any major football event (except friendlies and qualifying rounds for major football events) has not been hosted yet neither Olympic Games.

4.1.4 Upcoming major sports events in the Czech Republic

Several major sports events are going to be hosted in the Czech Republic in upcoming years. Origins of most of them follow on tradition of sport or previous event.

Všesokolský slet is going to be hosted at football stadium Synot Tip Arena in Prague in June, 2012. The tenth anniversary of staging Ice Hockey World Championships will be celebrated in 2015, as Prague and Ostrava became host cities (Podnieks and Merk 2010).

World Championship in Biathlon is being held in Nové Město na Moravě in 2013 and even though that Ministry of Education, Youth and Sports has reassessed funding approach of major sports events after FIS Nordic World Ski Championships Liberec 2009, the way of support has not changed much as Ministry granted 100 million CZK to building a new ski stadium and surrounding facilities, region added 60 million CZK, town Nové Město na Moravě contributed by 30 million CZK and private sponsors donated 50 million CZK (Savičová 2012).

Union Cycliste Internationale gave a green light to World Championship in Cyclocross 2015 to Tábor, a traditional cyclo-cross venue in the Czech Republic. An interview conducted by Pešta (2012) with Vladimír Holeček, a Vicepresident of UCI, who lobbied for hosting the event in the Czech Republic, revealed that major challenge for the event is a lack of finance, in particular governmental support. Holeček expects to find financial sources rather in private
sector. He also summarized why it is difficult for cyclo-cross to get enough public finance to run the event: cyclocross is not an Olympic sport, turbulent economic times, and a lack of governmental guarantee due to FIS Nordic World Ski Championships in Liberec.

Regardless the unsuccessful event in Liberec, International Ski Federation still has some feelings for Czech event organizers as FIS Ski-flying World Championship will be held in 2014.

Other two major events are going to be held in the Czech Republic – Le Mans 2012 in Brno, 6-hours endurance car race, and 2013 Canoe Slalom World Championships Seniors in Prague.

4.2 National policy of hosting major sports events in the Czech Republic

Previous chapter and the list of major sports events refer to the history and development of the industry. Focus on public finance part of the event business is the scope of this article as the main question is: How are major sports events supported by state and government?

4.2.1 Actors in the Czech Republic

Major sports events hosted in the Czech Republic are held by private as well as non-profit organizations. Therefore, the state (i.e. Ministry of Education, Youth and Sports) is not the body, which comes with an idea to host the event but it is the private and non-profit (sport) sector that has to be a driving force of the event and manage financial side of the event. As an illustration, Czech Table Tennis Association, an event organizer of European Championship in Table Tennis in Ostrava in 2010 reported following sources of income: 10.2 million CZK registration and participation fee; 1.8 million CZK TV rights; 2 million CZK ticket sales; 5.3 million CZK donations, subsidies, sponsorship (Simáček 2010).

Despite of independence of event organizers, Ministry of Education, Youth and Sports provides a financial framework for the events and event organizers can exploit this possibility. The major sports event state support is the part of Athlete Representations of the Czech Republic budget under Ministry of Education, Youth and Sports roof, see Figure 4.3.
Furthermore, regions are also influential actors because of their large competence and also funding opportunity (through regional budgets, lotteries incomes, etc.).

4.2.2 Concept of state sports events policy in the Czech Republic

Major sports event budget consist of different amount of money every year as it is derived from the state budget and current economic and governmental development. Consequently, application for major sports event support has to be handed in every year even in case of recurring or large-impact events (Ministry of Education Youth and Sports 2011). Moreover, events that were granted-in-aid in previous year need to apply again as the previous claim does not guarantee the subsidy for next year, and the applicant has to be a non-governmental organization. Ministry of Education, Youth and Sports (2011) has also stated that subsidy for 2012 can be granted up a 100% claim and there is no need of co-partnership. Intended personal interview with a responsible person, who represents Ministry of Education, Youth and Sports, was not carried out as interviewee stop communicate with authors. Thus, detailed information was not gained. Nevertheless, analysis of five largest governmental subsidies granted to non-governmental organizations per year in past 5 years (2007-2011) has been conducted. Subsidy receivers, amount of subsidy and the percentage of these subsidies to the total amount of major sports event financial budget have been identified, see Table 4.4.
Table 4.4: Analysis of five largest state subsidies granted to non-governmental organizations in thousands of CZK

<table>
<thead>
<tr>
<th>Subsidy receiver</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Total amount of subsidy per organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Czech Athletic Federation</td>
<td>15,500</td>
<td>10,300</td>
<td>10,500</td>
<td>15,000</td>
<td></td>
<td>51,300</td>
</tr>
<tr>
<td>Czech Basketball Federation</td>
<td>11,000</td>
<td>40,000</td>
<td></td>
<td></td>
<td></td>
<td>51,000</td>
</tr>
<tr>
<td>Czech Tennis Federation</td>
<td>5,700</td>
<td>6,800</td>
<td>13,800</td>
<td>10,800</td>
<td>10,800</td>
<td>47,900</td>
</tr>
<tr>
<td>Czech Ski Association</td>
<td>21,000</td>
<td>18,600</td>
<td>3,000</td>
<td>5,000</td>
<td>5,000</td>
<td>47,600</td>
</tr>
<tr>
<td>Autoklub of the Czech Republic</td>
<td>15,000</td>
<td></td>
<td></td>
<td></td>
<td>32,000</td>
<td>47,000</td>
</tr>
<tr>
<td>OC FIS Nordic WSC 2009 o.s.</td>
<td>15,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>15,000</td>
</tr>
<tr>
<td>Czech Ice Hockey Association</td>
<td>1,350</td>
<td>10,000</td>
<td>9,000</td>
<td></td>
<td>10,350</td>
<td></td>
</tr>
<tr>
<td>Football Association of the Czech Republic</td>
<td>1,350</td>
<td>10,000</td>
<td>9,000</td>
<td></td>
<td>10,350</td>
<td></td>
</tr>
<tr>
<td>Czech Volleyball Federation</td>
<td></td>
<td></td>
<td></td>
<td>9,000</td>
<td>9,000</td>
<td></td>
</tr>
<tr>
<td>Czech Biathlon Union</td>
<td>2,000</td>
<td></td>
<td></td>
<td></td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Czech Table Tennis Association</td>
<td></td>
<td></td>
<td></td>
<td>2,000</td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>EYOWF 2010, o.p.s.</td>
<td>1,700</td>
<td></td>
<td></td>
<td></td>
<td>1,700</td>
<td></td>
</tr>
<tr>
<td><strong>Total amount of subsidy per year</strong></td>
<td>41,100</td>
<td>87,366</td>
<td>114,079</td>
<td>31,234</td>
<td>89,215</td>
<td></td>
</tr>
<tr>
<td><strong>Total amount of TOP 5 largest subsidies per year</strong></td>
<td>39,550</td>
<td>63,800</td>
<td>91,700</td>
<td>28,000</td>
<td>71,800</td>
<td></td>
</tr>
<tr>
<td><strong>Percentage of 5 highest subsidies to the total amount of state sports events subsidies</strong></td>
<td>96,23%</td>
<td>73,03%</td>
<td>80,38%</td>
<td>89,65%</td>
<td>80,48%</td>
<td></td>
</tr>
</tbody>
</table>

The Table 4.4 does not cover all subsidies granted to non-governmental organizations but only five biggest ones per year. Nevertheless, the table illustrates the trend in grant policy as the most popular sports (athletics, basketball, skiing, tennis, motorsport, etc.) are regularly supported on event field and are prioritized over less popular sports events as five largest subsidies covers more than 70% of major sports events budget in 2007 - 2011.

However, even less popular sports can run the event with governmental help as it is in the case of table tennis, and data analysis also pointed out other minor sports, for instance orienteering, softball/baseball, combat sports, curling or sledging that were supported by state, some of them repeatedly (e.g. sledging).

Regarding the type of the event, Golden Spike or Josef Odlozil Memorial as well as Tennis Czech Open are on the list of regularly supported events. Other recurring events were supported occasionally – e.g. Speedway in Prague and many major sports events were not
include on state subsidy list at all – Velká Pardubická steeplechase or Cyclo-cross World Cup. Some of the one-off major sports events were supported as they occur – e.g. European Championship for men in volleyball, European Youth Olympic Winter Festival (EYOWF) or FIS Nordic World Ski Championship (OC FIS Nordic WSC 2009 o.s. – this company went to bankruptcy after the Championship was held).

An unsatisfied finding emerged from data as a part of the budget was time to time spent on non-event projects. For example, Czech Athletic Federation received 1.5 million CZK as an addition to athletes’ representation in 2010 and Czech Special Olympic Movement received 300,000 CZK as a support for handicapped athletes in 2010. Hence, the major sports events budget is occasionally used as an additional pocket money for athletes rather than serious financial source. Moreover, data for 2009 included only the receiver and did not show the exact event to which money was granted to. This problem also appeared in case of other events in examined years, thus one can just assume that 51 million CZK was granted to Czech Basketball Federation to support FIBA World Championship for Women and other basketball events, or 47 million CZK went to Moto GP and other famous races. Moreover, many events that were underpinned by state were events for juniors or youth.

Furthermore and in controversy with the statement of Ministry of Education, Youth and Sports, new event policy were not force into action after World Ski Championship in Liberec 2009 (stated in Kopecký 2009) as there is no need on co-partnership if the subsidy is granted. Similarly, many public finance sources are devoted to the events indirectly as in case of World Championship in Biathlon in 2013 as 100 million CZK was invested into new stadium in Nové Město na Moravě by Ministry of Education, Youth and Sports, the explanation is following:

“This is a strategic investment to the support of sports at place, where is a tradition and success“
Josef Dobeš, The Ministry of Education, Youth and Sports (Savičová 2012)

Financial aid is not the only help that make an event feasible. Goodwill and trustworthy management are essential, thus patronage over the event taking by respectful and famous

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persons, athletes, politicians is another event supporting procedure. For instance, Václav Klaus, a president of the Czech Republic took patronage over FIBA World Championship for Women 2010.

4.2.3 Events policy and relation to tourism in the Czech Republic

Major sports events are closely linked to tourism and economic impact for the given region. Because of externalities and free-rider theorem occurrence, the need of governmental intervention is reasonable and is presented by governmental agency CzechTourism in the Czech Republic. CzechTourism is responsible for promotion the country as a ‘must visit place’ towards foreign visitors and also encourages domestic tourism. The agency does not promote business activities and plans but focuses on presentation of the country in general. According to Czech Tourism marketing plan (Orsáková 2012), the main pillar of their effort is dedicated to culture heritage, active family holiday, wellness and spa tourism and congress tourism. On top of the main scope of the organization, culture and sports events are promoted. An interview with Filip Remenec, a head of PR department at CzechTourism, was conducted on March 3, 2012 in order to clarify the issue of event promotion. He confirmed CzechTourism promotion activity on event field, mainly for sports and culture events with high potential of development rather than events with long tradition and goodwill among foreign visitors. There are up 4 events per region promoted via CzechTourism budget every year. Although major sports events attract many foreign visitors, CzechTourism does not find this fact too much relevant for the Czech Republic as their surveys shows that over 60% of foreign visitors come to see culture heritage, 15-20 % tourists spend active holiday and the rest have other reasons to come to the Czech Republic. Therefore, major sports events are not the key element of CzechTourism marketing strategy. Nevertheless, CzechTourism is open to support bid process of major sports event organizers with respect to the estimated number of foreign visitors of the event. This was the case of Ice Hockey World Championship 2015 as CzechTourism helped out with promotion on place during the bidding and electing process. Regarding organizational structure, CzechTourism is attached to Ministry of Regional Development of the Czech Republic and cooperates with Ministry of Industry and Trade of the Czech Republic and agencies Czech Trade and Czech Invest. From sports events perspective there is no link to Ministry of Education, Youth and Sports.


4.3 Historical development in Norway

The chapter about historical development deals with the evolution of Norwegian sports, and how the authorities manage financial support of public sports and major international sports events. Furthermore, a study of what type of major international sports events that have been hosted in Norway, and to future major sports events are presented.

4.3.1 Sport evolution in Norway

The Norwegian sports today is developed from early middle Ages to modern globalized sports and are influenced by social, cultural, historical and political changes.

The first sign of Norwegians doing skiing originates from 6000 years old carving rocks. For approximately 1000 years ago when Norway became Christian Snorre’s sagas testified that it was equally important for a skilled athlete to have both a great mind and a skilled body in combats (VGS 2012). According to Birkebeiner (2012b) the family saga from 1206 about a Norwegian prince named Håkon Håkonson describes how he was rescued by two skiers named Torstein Skjevla and Even Skrukka. This story gave the inspiration of the Norwegian ski race, Birkebeinerrennet, which is held in the distance between Lillehammer and Rena. In the sagas Vikings is described as great sports men trying to get honor among equals by being referred to as strong and athletic, and the sport at this time was not unlike the structural conditions in Greek ancient and their Olympic Games (Goksøyr 2008). Skiing has in all time been a big part of the Norwegian culture, in war, hunting and in sports.

In 1350 a period of Norwegian historical sources fades away both about sports and development in the surroundings; much because of a plague called the Black Death that killed almost half of the population and almost all of the noblemen (Goksøyr 2008). The country missed a part of the cultural development compared to the rest of Europe. Despite the fact that Norway lagged behind in development, the country adopted the culture of knights which no longer only were useful in war but was a part of wealthy people’s leisure activities (Goksøyr 2008). In the 1350s horse riding events that emphasized measurements of skills and physical performance were conducted (Goksøyr 2008). In 1380 Norway entered the union with Sweden and Denmark (Norgur 2012). Later, Protestantism came from Germany to Norway in 1517 and affected the sports from being military defense, exercising and competition to a serious matter of religion and moral which means that if people was in a position to do sports,
they had not performed hard enough in work (Goksøyr 2008). The Norwegian people lived in poverty and in 1814 Norway went from being in union with Denmark, referred to as “a night of 400 years” (Goksøyr, 200, p. 26), to be in union with Sweden. At this time, Goksøyr (2008) outline that the interest of Norse period where body skills and achievements became a part of the cultural prestige which returned and rebuild the sport activities. Great focus on winter sports as skiing and skating was a big part of rebuilding the sports. In addition, gymnastics became a school subject in the big cities for boys only, and the first university in Norway had their own student sport in form of gymnastics and fencing. Skilled athletes and artists could get approval from the government to perform in events where the spectators paid money to watch their art, and 10 % of the revenue had to be given to Fattigvesenet (poverty service) (Goksøyr 2008). This shows an early interest in athletic performance and sports events.

The Constitution Day, 17th of May 1814, became a collected symbol of an emerging national consciousness expressed as a political marking but after the 1840s the constitution day was more than a political marking (Goksøyr 2008). It became a “national rebirth” were everyone could take part in the celebration that represented sports, playing and games. A formalized rowing competition was often hosed 17th of May and everyone who had the right equipment could participate. The cash reward for winning the race was relatively high, and the competition became very popular. Such races marked a transition towards the development of modern sports in the late 1800s because it was legal to gamble on it, and because it was available for everyone. Urbanization and industrialization of the cities was one of the factors for the growth of modern sport, and sports associations were established by the nobility where workers often were excluded (Goksøyr 2008). Because of this the labor-oriented confederation, Arbeidernes Idrettsforbund, was established (1924) as a counterparty for the already existing confederation, Centralforeningen, which was described as “bourgeois” (established in 1861) (Bergsgaard and Noreberg 2010).

The first national organization, Centralforeningen for Udbredelse af Legemsøvelser og Vaabenbrug, was established in March 15th 1861 with purpose of unite sport clubs, associations and teams, and started what today’s sports policy is based on in Norway (Goksøyr 2008). It was the first voluntary organization and is today Norges idrettsforbund og olympiske og paralympiske komité (NIF), the umbrella organization with monopoly on competitive sports in Norway (Bergsgaard and Noreberg 2010). The political situation with
Sweden (“Konsulatsaken”), Denmark’s conflicts with Germany, and the Crimean War (Sørensen 2012) resulted in several establishments of new shooting teams, and Centralforeningen was a well timed and central started top-heavy organization (Goksøyr 2008). Because of the peoples interest in the political situation and a principal written in the constitutional law about general duty to defend the country, the numbers of members rose fast and Cetralforeningen became the first mass movement of sports (Goksøyr 2008). The Norwegian parliament has from the beginning provided subsidies to NIF because of a benefit-oriented ideology (Bergsgaard and Noreberg 2010). At this time the ideology of subsidizing the sport was based on its contribution of training soldiers to the military force, especially related to the role of foot soldiers (Goksøyr 2008). In addition, from 1880s to 1890s the growth and development of sports involved introductions of new various forms which spread across the country and reach out to a larger part of the people (Goksøyr 2008). The first shooting club in Norway was established already in 1769 (NSF 2012). The dissolution with Sweden in 1905 (Sørensen 2012) made Norway an independent nation and the need for showing this off was stronger than ever. Athens hosted the Olympic Games in 1906, and the Norwegian government argued that participation in the Games could be an opportunity to put Norway on the map (Goksøyr 2008).

As Goksøyr (2008) emphasize the “modernity” started to change the ideology within sports in the 1900s. Centralforeningen (NIF) and their military ideology to the sports did no longer follow the modern development. The Ministry of Defense was the connection between the sport and the government, and the organizational structure where the athletes were members directly in the organization changed and the athletes became members of their sport clubs instead. Gymnastics, skiing, skating, shooting and rowing had already from 1890 to 1900 established their own national federations but new sports like football, tennis, fencing, cycling, boxing and wrestling brought into the country by Norwegians that studied or was doing business overseas a few years later, see Table 4.5.

The first “Grand Football Match” was hosted in Bergen in 1886, and because the organizer had arranged the event where the spectators had to pay to watch it, it was considered as illegal. The picture, see Figure 4.4, was kept as an evidence of illegal organizing due to charging entrance fee and disturbing the public law and order (Goksøyr 2008).
The first marathon in Norway was hosted in 1896 and the event organizer was strongly influenced by Centralforeningen, and the idea was that competitions were only viewed upon as a necessity to attract new members to the sport and not really as a part of the sport itself (Goksøyr 2008).

In 1924, between the World War I and the World War II, Arbeidernes Idrettsforbund was established as a result of political disagreement and wanted to spread a political view through the channel of the sport (Thorsnæs 2011). The new ideology should provide sports and public health (NIF 2012a). This organization was a movement for the worker class and had a different vision compared to Centralforeningen which teamed up with Det Frivillige Skyttervesen¹⁵, and the new merged association was renamed to Norges Riksforbund for Idræt (Thorsnæs 2011). Sport became a case for the society and a public good where the slogan “sport for all” became a central ideology where the society’s welfare was important (Goksøyr 2008). This is also today’s vision of the sport governing body which became more or less monolithic after World War II (Bergsgaard and Noreberg 2010).

¹⁵ Det Frivillige Skyttervesen: Aimed to promote shooting skills and improve the military defense of the country (Thorsnæs 2011).
### Table 4.5: Origin of Norwegian sports clubs (Goksøyr, 2008, p. 63)

<table>
<thead>
<tr>
<th>Establishments of national associations</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norwegian Gymnastic Association</td>
<td>1890</td>
</tr>
<tr>
<td>Norwegian Skating Federation</td>
<td>1893</td>
</tr>
<tr>
<td>Norwegian Sport Confederation</td>
<td>1896</td>
</tr>
<tr>
<td>Norwegian Rowing Federation</td>
<td>1900</td>
</tr>
<tr>
<td>Norwegian Football Federation</td>
<td>1903</td>
</tr>
<tr>
<td>Norwegian Ski Federation</td>
<td>1908</td>
</tr>
<tr>
<td>Norwegian Tennis Federation</td>
<td>1909</td>
</tr>
<tr>
<td>Norwegian Swimming Federation</td>
<td>1910</td>
</tr>
<tr>
<td>Norwegian Fencing Federation</td>
<td>1911</td>
</tr>
<tr>
<td>Norwegian Cycling Federation</td>
<td>1911</td>
</tr>
<tr>
<td>Norwegian Athletic Federation</td>
<td>1913</td>
</tr>
<tr>
<td>Norwegian Equestrian Federation</td>
<td>1915</td>
</tr>
<tr>
<td>Norwegian Boxing Federation</td>
<td>1920</td>
</tr>
<tr>
<td>Norwegian Wrestling Federation</td>
<td>1920</td>
</tr>
<tr>
<td>Norwegian Bandy Federation (Norwegian Ice Hockey Federation)</td>
<td>1920</td>
</tr>
</tbody>
</table>

After the World War II Arbeidernes Idrettsforbund (AIF) and Norges Landsforbund for Idræt (Centralforeningen) emerged into a single federation, Norges idrettsforbund og olympiske og paralympiske komité (NIF) (Bergsgaard and Noreberg 2010), and is the highest organ of the largest popular movement with 2.1 million memberships divided on 11,936 sport clubs (NIF 2012c). Bergsgaard and Noreberg (2010) state that NIF is an umbrella organization with almost monopoly on all organized competitive sports in Norway which includes sports for all, as well as sport for elite athletes. From 1946 to 2006 NIF has more than doubled the members of specialized sports clubs from 23 in to 55, and in 2001 more than 8,000 ordinary sports clubs and 5,000 company teams were members. In 1996 the Norwegian Olympic Committee (NOC) became a part of NIF with 1.7 million memberships which is more than one-third of the total population in Norway (Bergsgaard and Noreberg 2010). In 2009 the three most popular sport registered were 'organized sport for companies' with 349,000 memberships, football clubs with 296,000 memberships, and ski clubs with 154,000 memberships (NIF 2012b).

All organizational units in Norwegian sports are independent and are based on democratic principles corresponding with NIF’s own regulations, and the highest authority is the sports council (Goksøyr 2008). Efforts from volunteers are the most important resource which creates positive effects at all levels, it is argued to be meaningful for each one that voluntary because, it among other factors creates good social networks (NIF 2012a). NIF is unique in
international context because all sports are gathered in one organization that works towards a public sport policy where everyone’s interest is considered and addressed.

According to Goksøyr (2008) NIF has always been connected with the Norwegian Government. Table 4.6 shows the governmental connection to sports during the time, and has been an important contributor to the development of sports, both to act when conflicts has occurred and when the National Gambling Corporation (Norsk Tipping AS) was established (Bergsgaard and Noreberg 2010). As Bergsgaard and Noreberg (2010) point out the governmental interest in the sport policy has changed during time, and that parliamentary lobbying is and has been limited due to the allocation of the profit from the National Gambling Corporation which is directly connected to sports, and is not included in the fiscal budget. Governmental interest in sport policy has the last 10 – 12 years increased, maybe especially related to several doping cases at the Sydney Olympics where Norwegian athletes as Stian Grimseth (Interaktiv 2000) and Fritz Aanes (Andresen) tested positive. Issues related to doping in sports are viewed as an issue in the society, and the government is participating in several international forums like UNESCO convention, IADA and WADA. Except this example of international involvement from the state the Ministry of Cultural Affairs has the overall responsibility for the management of the profits from the National Gambling Corporation (Kulturdepartementet 1999). Several tasks and decisions related to facilitate and develop physical activity are delegated to the 19 different regional sports governing bodies that are in charge of the geographical area (counties) (NIF 2012b).

Table 4.6: Governmental institutions responsible for sports in Norway (Goksøyr 2008, p 64)

<table>
<thead>
<tr>
<th>Year</th>
<th>Governmental Body responsible for sports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1863 - 1930</td>
<td>Ministry of Defense</td>
</tr>
<tr>
<td>1930 – 1948</td>
<td>Ministry of Social Affairs</td>
</tr>
<tr>
<td>1948 – 1949</td>
<td>Ministry of Municipality and Work Affairs</td>
</tr>
<tr>
<td>1949 – 1984</td>
<td>Ministry of Church and Education</td>
</tr>
<tr>
<td>1984 - -&gt;</td>
<td>Ministry of Cultural Affairs&lt;sup&gt;16&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>16</sup> Ministry of Cultural Affairs has several times changed the name
4.3.2 Financial support of public sports in Norway

The establishment and evolution of a governmental regulated lottery fund has together with volunteerism been essential to the growth and development of Norwegian sports and sports policy.

National Lottery Organisations - Norsk Tipping AS

Norsk Tipping AS is today wholly owned by the Norwegian state and governed by the Ministry of Culture (Norsk Tipping 2012a), and there is a broad political agreement that gambling should be regulated in the purpose to avoid gambling addiction and other negative behaviors. Every year the profit from the lottery is shared to the purposes of sports, culture and humanitarian organizations (Norsk Tipping 2012b). According to Norsk Tipping (2012b) the company has awarded in total almost 100\textsuperscript{17} billion NOK to good causes in the Norwegian society, and by providing responsible and attractive offers of gambling they work towards the goal of awarding even more billions in the future. The gambling market in Norway is monopoly but when considering Norwegian gamblers’ activity on other gambling games, see Table 4.7, and in addition the international online gaming market, the market share for Norsk Tipping was estimated to be a total of 47 % (26.6 billion NOK) in 2010. The numbers which includes the international market is estimated by the Lotteritilsynet (2012) and is therefore not complete accurate. Numbers from the Norwegian market is considered as accurate and reliable.

As mentioned, the Ministry of Cultural Affairs is governing the lottery company. They decide by law and regulations how the lottery and gambling should be run. The regulations of lotteries and gambling are current for lottery activities in Norway, and it is illegal to provide gambling without licensing. Norsk Tipping is regulated by the Money Game Act from 1992 (Pengespilloven 1992) and in that matter the company are allowed to offer their games to the public in Norway also via internet. Short described, it is not permitted to provide lotteries or interactive internet games unless it is authorized by law and approved by the Norwegian Gambling Authority which is in charge of monitoring that the users’ market is legal, safe, and reliable (Lotteritilsynet 2012).

\textsuperscript{17} Converted into current value/inflation
The government owns all gambling corporations in Norway. Beside Norsk Tipping the corporation Norsk Rikstoto (among others) has also a share in the Norwegian gambling market. Norsk Rikstoto is a gambling body in charge of all betting related to horse races. The terms for the activity are regulated by the state through the Royal Ministry of Agriculture and Food and the revenue from the business is going back to the sport in forms of prizes, breeding and research. In 2011 Norsk Rikstoto had total revenue of 3.8 billion NOK which constitute a market share of 12 % (RiksToto 2012). Other gambling activities besides Norsk Tipping AS has following market share of the Norwegian gambling market:

Table 4.7: Norwegian betting market (Norsk Tipping 2012d)

<table>
<thead>
<tr>
<th></th>
<th>Revenue in million (NOK)</th>
<th>Market share in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norsk Tipping</td>
<td>14,750</td>
<td>49</td>
</tr>
<tr>
<td>Norsk Rikstoto</td>
<td>3,667</td>
<td>12</td>
</tr>
<tr>
<td>Bingo</td>
<td>5,600</td>
<td>19</td>
</tr>
<tr>
<td>Scratch cards lottery etc</td>
<td>500</td>
<td>2</td>
</tr>
<tr>
<td>International Online Games*</td>
<td>5,000</td>
<td>17</td>
</tr>
<tr>
<td>Offshore gambling</td>
<td>469</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td><strong>29 986</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

* The Norwegian Gambling Authority has estimated the numbers from international assumptions and therefore considered as not accurate.

Lottery corporations besides Norsk Tipping will not be discussed any further because it is not considered as relevant to the main topic of the paper.

According to NorskTipping (2012e) the following information of the historical development started in the1930s. This was the first public debate about organizing gambling in relation to sports. In 1946 a law about gambling was approved by the government and the stock company Norsk Tipping AS got license to provide gambling related to competitive sports. Even though it is a stock company it is regulated by Money Game Act and is therefore not influenced by the law of stock companies. In 1947 Norsk Tipping was established with three formal stakeholders; the Norwegian state as owner of 40 % of the stock share, NIF with 40 % share, and the Norwegian Football Federation (NFF) with 20 % share. Norsk Tipping’s net
profit was directly allocated to Norwegian sports and scientific research, and the first allocation of the profits was decided as follow: The first million, 80 % of the second million, 60 % of the third, 40 % of the fourth, and 20 % of excess million should go to sports. The rest of the profits should be allocated to the purpose of scientific research. At this time nothing was allocated to culture. After the World War II it was a general shortage of goods in Norway but despite that the first year of operation, in 1948, gave approximately 18 million NOK in revenue. Expectations of profit were set to about 3.5 – 5 million NOK and it ended with a profit of 5 million NOK. The sports received 3 out of 5 million NOK. In 1949 the revenue for Norsk Tipping was 37 million NOK, and the next three years it again increased more than expected and Norsk Tipping had to educate and hire more people to cope with the challenging trends. New accounting techniques were introduced and expansion of facilities corresponded with the growth of the company in the early 1950s. After 10 years of operations the revenue increased frequently from 18 million NOK to 96 million NOK.

New electronic systems for counting and controlling the bet slips was introduced in 1971 and it was no longer manual registration which made the operation more efficient. Changes regarding the allocation of the money were conducted in 1976 and it seemed like it was a result of the profit in 1975 where science received 81.4 million NOK and sports 66.6 million NOK. It changed to a 50/50 ratio and resulted in that both parts received 101 million NOK in 1976. The next years new betting games like Lotto were introduced and regularly broadcasted on NRK, and in 1988 the revenue had reached a new level with a total of 3 billion NOK. In 1991 a new revenue record was reached with 4 billion NOK, and in 1992 the government resolved the decision of allocation within the Money Game Act and sport, culture, and scientific research got one-third each. Online-gaming was introduced and partially implemented until 1995 when it was fully introduced followed by odds and other lottery games.

Norsk Tipping (2012e) display that in 1993 NIF and NFF had no longer ownership in Norsk Tipping, and the corporation became 100 % owned and controlled by the government. The gambling market in Norway became monopoly. Lottery Companies in Norway, Denmark, Sweden, Finland, and Iceland (Estonia in 2000) gathered and introduced a multinational Nordic lottery game named Viking Lotto with a first prize record of 13.6 million NOK. In 1999 the revenue exceeded 9 billion NOK, two years later it was still the same and on the top of that the government decided to decrease the funding of the scientific research until it was completely off in 2005. At that time the profit of Norsk Tipping was divided 50/50 between
culture and sports. Slot machines which previously financed voluntary organizations became a governmental responsibility because of issues regarding gambling addiction, to avoid fraud, and to easier control the lower age limit in gambling. In 2008 Norsk Tipping presented a substitute for the slot machine called Multix\(^{18}\), a collection of interactive games, with limitation of the amount of money one can lose in one day and during one month, and it is equipped with tools to avoid compulsive gambling problems and money laundering. The balanced solution between entertainment and responsibility is viewed as quite unique, and got a lot of attention from all over the world. 2008 gave a revenue record for more than 10, 5 billion NOK. The Ministry of Finance is in the position of establish an inspection body called Riksrevisjonen\(^{19}\) to control that the public funds and assets are managed responsible, and in a report from the inspection body some factors are described as worthy of criticism (Norsk Tipping 2012e).

According to Norsk Tipping (2012e) the operation of Norsk Tipping went through a reorganizing of the internal management which leaded to historically good results with 3.425 billion NOK out of 3.7 billion NOK distributed to different purposes in 2010. The Money Game Act was again resolved and the allocation was changed from a 50/50 share between sport and culture to a share of 45.5 % allocated to sports, 36.5 % allocated to culture, and 18 % to socially benefit and humanitarian organizations. The Extra Foundation for health and rehabilitation was established to divide the surplus from the game “extra” to voluntary organizations who are engaged in prevention, rehabilitation and scientific research related to gambling addiction and negative behaviors. Since it was founded the contribution has is in total 3 billion NOK, and the allocation in 2011 where 220 million NOK to 528 project governed by 113 organizations, which indicates that the work towards reducing negative effects of gambling is on-going.

Another aspect as Norsk Tipping (2012c) emphasize is the allocation of profit called the grassroots share (Grasrotandelen) which was introduced fully in 2009. The gamblers can give up to 5 % of their bet effort to a self selected sports club or association as long as it is registered in a database for volunteering, in Brønnøysund Register Center\(^{20}\). By using the registration system the government can ensure systematic information that can strengthen the

\(^{18}\) For more information, see Multix at https://www.norsk-tipping.no/selskapet/produkter/multix
\(^{19}\) Governmental authority is controlling economic activity (Finansdepartementet 2004).
\(^{20}\) For more information, see http://www.brreg.no/english/
legitimacy and knowledge of the voluntary activity, and that way facilitate the public policy towards the voluntary sector. Total payment from grassroots share in 2009 was 210.9 million NOK.

Finally, Table 4.8 presents revenue (in NOK and percentage) allocated to sports from Norsk Tipping AS from 2004 to 2010. All numbers in the table is collected from the Ministry of Cultures allocation for sport purposes from 2004-2010 (Kulturdepartementet 2004-2010).

Table 4.8: Allocation of the revenue from Norsk Tipping AS 2004 – 2010 (Kulturdepartementet 2004-2010)

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit awarded to sports</td>
<td>1,200</td>
<td>1,200</td>
<td>1,200</td>
<td>1,250</td>
<td>1,418</td>
<td>1,558.4²¹</td>
<td>1,558.4²²</td>
</tr>
<tr>
<td></td>
<td>1/3</td>
<td>50 %</td>
<td>50 %</td>
<td>50 %</td>
<td>50 %</td>
<td>45.5 %</td>
<td>45.5 %</td>
</tr>
</tbody>
</table>

According to Kulturdepartementet (1999) the municipality has to apply for economic support for rehabilitation and construction of new facilities through the county authority. Lottery funds marked for development of facilities and education is annually allocated to every county authority which is in charge of allocate on the local level. Table 4.9 shows what amount of lottery funds is divided on different purposes related to sports facilities and other activities related to national purpose of sports.

²¹ Ordinary allocation included transitional funding
²² Ordinary allocation included transitional funding
Table 4.9: Allocation of lottery funds to sports (Kulturdepartermentet 2004-2010)

<table>
<thead>
<tr>
<th>(in thousand NOK)</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic support NIF</td>
<td>75,000</td>
<td>100,000</td>
<td>100,000</td>
<td>83,000</td>
<td>90,000</td>
<td>118,000*</td>
<td>118,000</td>
</tr>
<tr>
<td>National facilities</td>
<td>20,000***</td>
<td>2,500</td>
<td>0</td>
<td>10,000</td>
<td>15,000</td>
<td>20,700</td>
<td>40,200**</td>
</tr>
<tr>
<td>Special facilities</td>
<td>2,600</td>
<td>2,750</td>
<td>1,500</td>
<td>3,100</td>
<td>4,620</td>
<td>5,700</td>
<td>2,150</td>
</tr>
<tr>
<td>Special activities – Anti-doping</td>
<td>22,000</td>
<td>22,650</td>
<td>23,100</td>
<td>24,500</td>
<td>24,800</td>
<td>27,150</td>
<td>28,050</td>
</tr>
</tbody>
</table>

* Ordinary allocation included transitional funding
**Available funds of NOK 15, 25 million added the award of NOK 24,950 millions
***Total award for national facilities and special facilities in 2004

The table does not show all revenue allocated to sports purposes but the numbers show how the lottery funds are located in purpose of NIF, the development of national facilities and special facilities. The basic funds to NIF are to cover administrative costs and the future work of education and develop the Norwegian sports. National facilities are the venues basically used for international championships and competitions as European and World championships in particular sports as athletics, football, rowing/paddling, Nordic skiing and biathlon located at the same place (co-located), alpine skiing, ski flying, and skating (Kulturdepartermentet 1999). Special facilities are venues for European and World championships in orienteering, skiing, biathlon, and ice hockey, and in addition a health sports center and facilities located in Svalbard. The regulations of Ministry of Culture about facility development and allocation of funds contributes to sustain evolution of Norwegian sports policy.

Table 4.10 shows the timeline and highlights some significant events of the Norwegian sport policy evolution.
### 4.3.3 Major sports events in Norway

Winter sports have been a major part of Norwegian activities throughout the history, and it is the sports that have brought the most medals to the nation in major events. An example is in winter Olympic Games where Norway is one of the most winning nations with an overall amount of 280 medals (Helljesen 2006). As presented in this chapter major sport events hosted in Norway shows strong presence of winter activities but other sports are also represented.

In 1863, one year before the first skating club was established in Norway, the first World Championships (WC) of all-round speed skating was hosed in the capital city of Norway, Oslo (SpeedSkatingNews 2012). At that time the city had approximately 50,000 inhabitants and this event with 70 competing athletes, attracted 10,000 supporting spectators (SpeedSkatingNews 2012). From 1925 to 1986 13 world championships and 10 European Championships in all-round skating has been hosted in a stadium with the capacity of 15,400

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23 See Annex 6.2
24 Christiania Skoiteclub
25 Oslo was at that time called Kristiania
seats (Bislett). From 1989 to 2009 has Norway been the host of 10 WC, and will host another in 2013.

A European Championship in Short track speed skating has not been held in Norway, but in 1995 a World Championship was hosted in Gjøvik (Packstyle 2012).

From 1977 to 2012 the FIS World Ski-Flying Championships has been organized and hosted in Norway 4 times (FIS 2012). The World Championship in 2012 gave attendance with 27,000 paying spectators (Vikersund 2012). Since this event was recently hosted it is little information about revenue and profits but according to the numbers of spectators one can assume that it was a successful event.

Alpine Skiing World Cups for men has been hosted every year in Kvitfjell since 1992 to 2011 in the disciplines downhill and super G, except in 1994 when the disciplines were conducted during winter Olympic Games in Lillehammer (Database 2012). The facilities built for Olympic Games in Lillehammer 1994 are a great contributor considering the continuously and annual hosted events of FIS Alpine Skiing (Kvitfjell 2012).

Oslo hosted European Curling Championships for both genders in 1977 in Askerhallen with a capacity for approximately 2,400, and regarding the facilities and the frame surrounding the event it was viewed as very successful (VG 1977b). While considering the Norwegian performance that year, it was not a success. The budget for the first international championship was NOK 110,000 and the organizer expected it to be a valuable event both economical and for promotion of the sport in purpose of attract new members (VG 1977a). It was broadcasted on Norwegian television two out of six days of the championship tournament.

Norway applied for hosting European Curling Championship for both genders in 1990 and as the only applicant for the tournament it was awarded to Lillehammer (NTB 1988). The media coverage was the same as in 1977 when two out of six days of the tournament was possible to follow on national television. Venue capacity was 3,200 (Lillehammerhockey.no). The Norwegian Curling Federation had a budget of 500,000 NOK in 1990 (Eriksen 1990) and because the only two venues for the sport were located in the area around Oslo and the majority of curling was located here, and an assumption that most the budget was allocated there should be correct.
The Norwegian Curling Federation decided to bid for the European Curling Championship in December 2013 and Stavanger is given as the host city with additional new facilities at Sørmarka. In December 2011 Stavanger was awarded the European Curling Championship as the only applicant (Vinterbyen 2012).

The first official FIS Nordic World Championship for men was hosted in Holmenkollen in 1930 with athletes from Norway, Finland and Sweden, and the women had to wait until 1952 before they could compete in the World Championships (Oslo2011, 2011a). In 1966 Norway was again a host for World Ski Championship and this year more nations were represented from Scandinavia, Europe, Japan, USA and Mongolia (VG 1966). Moreover, more than 500 media professionals were expected and the organizer used the same press-quarter as during the OG in 1952 to cope with the large amount of people. Some of the competitions were broadcasted on television and it was appreciated as a great opportunity to display Norway to Europe. Volunteers worked hard and were an important contributor to the event and the organizer saved a lot of money because of large public effort. (VG 1966)

The debate about hosting the 1982 FIS Nordic World Ski Championship was ongoing in 1978. According to Malmø (1978) the Norwegian Ski Federation suggested Oslo as host city but the municipality did not want to pay for a possible loss by hosting the event. They suggested that either the government should pay for any loss that would occur, or NIF should establish a guarantee fund. If not the Ski Federation would have to pay all themselves. A requirement for a world championship depended on a binding decision of rebuilding of the facilities in Holmenkollen, if not it would not be qualified as an international facility (Lillelien 1978). The event alone was estimated to cost (at that time) 7.6 million NOK and a total of 120,000 spectators needed to cover the costs (Kroge 1979). Some people were optimistic and hoped for 300,000 if the weather conditions were on the organizer’s side (Malmø 1978). The constructions were estimated to cost 33 million NOK. 16.5 million NOK was founded by the government and 16.5 million NOK was guaranteed by Oslo municipality (Odiin 1978). Oslo hosted FIS Nordic World Ski Championship with rebuild ski jumping hill and modern ski tracks (Oslo2011 2011e), new electronic scoreboards and length sensors in 1982 (Hedenstad 1982). Norway needed to follow the trend of international sport events by investing in electronic equipment and the final price for the facilities was 45 million NOK, equally divided between the government and the municipality. It was expected to be a profitable World Championship even though the costs were higher than first estimated which turned out to be
correct. With 29 participating nations consisting of 352 athletes in 13 disciplines the Championship attracted 450,000 spectators to Holmenkollen (Bergseng 1996) which generated 6 million NOK in ticket sales (Hedenstad 1982). The number of representatives from media was 1,213, and the voluntary effort consisted of 3,200 functionaries. As a major sport event it generated a profit for about 20 million NOK and NRK broadcasted successfully from the event (Hedenstad 1982).

FIS Nordic World Ski Championship in 1997 was number three arranged in Norway, this time in Trondheim, and not Oslo and Holmenkollen. Eight years in advance, in 1984, an application for hosting the event was viewed as a good opportunity to improve and modernize the facilities in the city (Kirkebøen 1996). Furthermore Kirkebøen (1996) emphasize that an internal agreement within the Nordic countries about which country should apply for the event made Norway an obvious candidate, because it was Norway and Trondheim’s turn. It was up to the National Ski Federation to decide host city within Norway, and FIS awarded Trondheim the Championship in 1992 after competing with Austria and Czechoslovakia. Norway got 58 to 43 votes for Austria, while Czechoslovakia got 3 votes. A new facility of international standard was built with a total cost of 130 million NOK, and the municipality subsidized 100 million NOK. Despite that a future international championship would probably not be hosted in this city in the future, the modern facility was built and argued to be an important contributor to the regional and local ski sports. The cost of organizing the event was estimated to be around 1.25 million NOK. Trondheim city celebrated 1000 years anniversary in 1992 and because of that it was expected to sell 250,000 tickets (capacity is 400,000) which could give a total income of 21 million NOK. Other incomes came from sponsors with approximately 90 million NOK, TV-rights were sold for 12 million NOK, and the rest would come from sale of commodities. This means that no governmental support to cover event operation costs was given (Bergseng 1996), but the regional ski body, the municipality and 15 sponsors paid for the event (Kirkebøen 1996). With 800 athletes and managers from 40 nations, 1500 from media, and 2000 volunteers, the championship was broadcasted to approximately 500 million viewers around the world. 300,000 spectators visited the competitions, the shows and related concerts. Economic impact is not measured in detail, but it was assumed to be around 400-500 million NOK and therefore argued to be a good investment for the county and municipality (NTB 1997).
Oslo 2011 hosted the fifth FIS Nordic World Ski Championship in Norway during time. The organizer was a company called VM 2011- AS owned by Norwegian Ski Federation (60 % ownership) and Ski Association (40 % ownership) (Oslo 2011 2011b). According to Oslo 2011 (2011f) the event was considered as very successful related to spectators, media coverage, and also regarding the economic outcome. Around 580 athletes from 49 nations took part in the championship. Amount of ticket sold during 11 days of competition was 270,000. Furthermore, approximately 335,000 spectators showed up in the forest outside the venue and approximately 650,000 spectators took part in related events in the city centre of Oslo. A total of 1, 2 million spectators was exposed to the event. In addition, 1,600 media professionals from 24 nations were present. NRK created great success with the ability of deliver present atmosphere and audiences experience in Holmenkollen out people around the world, and also set new standard of sponsor presentation (Oslo 2011 2011f).

The facilities in Holmenkollen are one of the most known sport venues in the world and a popular tourism attraction which is host for different annual sporting events and festivals during the year. The venue was has been modernized and provided necessary background for participants and audience since January 2011 (Holmenkollen 2011).

FIS World Cup Drammen is an annual event organized for the first time in 2003. In cooperation between a local sport federation (as a technical organizer), the municipality, and a company called Byen Vår Drammen AS the FIS event is hosted for the 9th time. Number of spectators is normally approximately between 30,000 and 40,000 people every year (Drammen 2012).

According to Birkebeiner (2012b), Birkebeinerrennet is an annual ski-race for everyone who wants to participate as long as they are over 16 years old. The participants have to wear a backpack with at least 3, 5 kilos 93 km, all the way from Rena to Birkebeineren Stadium in Lillehammer. A limitation for how many sign-ups for the competition varies from year to year, but it is approximately put at 16,500 participants. The last year’s races have been a large success considering the international sponsors, media coverage, and last but not least that amateurs, celebrities, and non-athletes are skiing together. Number of available sign-ups is normally sold out in just few hours.
In the summer season it is organized a bicycle race with same distance as the ski-race, and it at least as popular. All the available places in 2011 were sold out after one minute and forty seconds, the age limit is 17 years, 18,000 people can participate and it is divided into different divisions, for example handicap and tandem (Birkebeiner 2012a).

Holmenkollen Ski Marathon is an annual national event organized for the 39th time in 2012 with varying number of participants (Skiforeningen 2012b). The lowest number of participants was in 1993 with 1,380 athletes and the highest number of participants was in 1979 with 8,117 athletes, and an average number of participations are 2054 during the 39 competitions (Skiforeningen 2012a). When considering the sponsorship agreements the Ski Association corporate with local, national and international companies.

In March 2011 the FIS World Championship in Telemark Skiing was hosted in Rjukan with six disciplines during 3 days (VM 2011). It was expected to attract about 5,000 spectators. The competition was broadcasted two days live and one day from recordings on international TV-channels and on web TV (Skiforbundet 2011).

In August 2011 Norway hosted the first FIS roller Skiing World Championship for both men and women in Aure (Møre og Romsdal) where 19 nations participated, and the organizer was Norway Events in cooperation with two local sports clubs (FIS 2012). Some parts of the championship were broadcasted on national television (NRK), and according to Sæther (2011) the event attracted almost 50,000 spectators during the competition.

During the winter Olympic Games in 1952 the World Ice Hockey Championship for men was conducted in Jordal Amfi with the capacity of 4,500 people (Bryhn 2009). During the Lillehammer winter games in 1994 the tournament matches was played in three different venues26. In 1958 the Ice Hockey World Championship was held in Oslo (Bryhn 2009) and at that time Norway did not perform very well with six losses out of seven played matches (Nygaard 1998). 41 years later, in 1999, World Championship was again hosted in Oslo (Bryhn 2009). One year before the event was conducted the organizer had not considered the occurring problems with the Alcohol Act which does not allow alcohol advertising (Flatby 1998). This resulted in a governmental dispensation which allowed advertising during the event (Sosial-oghelsedepartementet 1998) to save it from being cancelled, and in the worst

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26Venue capacity used during Ice-Hockey Tournament in Lillehammer Winter Games in 1994: Gjøvik Olympiske Fjellhall with a capacity of 5,400 seats (Kunnskapsforlaget), in Hamar Olympiske Amfi with its capacity of 6,100 (Bryhn), and in Håkons Hall with capacity up to 11,500 (Olympiaparken).
case scenario transferred to Sweden. According to Halvorsen (1998) the tournament budget was 52 million NOK and 47 million NOK was expected as revenues from spectators mainly from neighboring countries. In addition, approximately 1000 media professionals were expected and the championship was televised for almost 700 hours in 30 countries. Moreover, before the 1999 WC the ice rink, Jordal Amfi (Hamar) with a capacity of housing 4,450 people built for the winter Olympic Games in 1952, was renovated for about 25 – 30 million NOK to improve the facilities for spectators, VIP, and media (Hansen 1999). The Norwegian Ice Hockey team was automatic qualified in Ice Hockey World Championship, because Norway was the host nation; this despite the performance in the qualification matches that originally resulted in B-WC (Hansen 1999). Ambitions of outperform the result from 1958 was not achieved since Norway ended as number 12 out of 16 nations in A-finals. From the economical point of view the outcome of 8 million NOK indicated a successful event and a success for the ice hockey sport in Oslo, but the criticism point out the lack of media coverage and advertising before and during the tournament; Even the largest Norwegian newspapers was criticized for not grant the world championship enough column space (Hansen 1999). The reason for this criticism can be related to the performance of the Norwegian Ice-Hockey team which probably did not increase the national interest for the sport.

World Snowboarding Championship March 2012 in Oslo was organized by a stock company owned by Tryvann Skistenter AS, Norwegian Snowboard Federation and The Arctic Challenge. The world championship calculated with a NOK 28 million budget and Oslo Municipality gave guarantee for the event (RogalandsAvis 2012). In addition, the event’s income was based on sponsorship contracts, TV-rights, ticket sales and merchandising. As the organizer expected 25,000 spectators at the competitions and in addition several concerts were organized for the occasion not more than 3,350 tickets were sold only two weeks before kick-off. In the aftermath Oslo municipality had to pay NOK 14 million for the Championship. NRK in charge of the production promised best production ever and it seems like they kept their word (Hansen 2012). TV-channels all over the world followed the World Snowboarding Championship. In addition the event created a world class venue which is argued to be a good argument for future application for Oslo Olympic Games in 2022 (Hansen 2012).

Norway has a long tradition of hosting winter sports events, but summer sports events have also occurred in the history. In the next section the mentioned events is under direction of IAAF, the International Association of Athletics Federation.
Oslo hosted for the first time a Championship were both genders participated combined. The European Cup B finals and first league was co-hosted with Norway (Fana) and Portugal (Lisbon) in 1996, and also in 2000 where Norway (Oslo) and Poland (Bydgoszcz) co-hosted (gbrathletics 2012b). In 1965 and 1973 the European Cup Semi-Final was hosted in France (Nice) and in Norway (Oslo) (gbrathletics 2012c). European Combined Events Cup was hosted in Tønsberg in 1989 (gbrathletics 2012a), and in 1992 the European Veteran Championship (gbrathletics 2012d and gbrathletics 2012e) was hosted in Kristiansand. The Nordic Championship for the Scandinavian countries has only been hosted three times in the history and one of them in Norway in 1961 (gbrathletics 2012g), and in 1987 the same concept was organized indoor (gbrathletics 2012h). IAAF World Cross Country Championship was hosted by Stavanger in 1989 (gbrathletics 2012f).

The World Wrestling Championship in Greco-Roman Seniors style has been hosted three times (1978, 1981 and 1985), and a World Cup for men was hosted once in 1989. The World Wrestling Championship in Ladies Senior style has been hosted in 1987 and 1993. The European Championship Seniors Greco-Roman for men was hosted in 1988, and European Championship in Female Wrestling was hosted in 1996.

Norway Cup - The world’s biggest football tournament for youths (Cup 2012) is an annual football tournament hosted in Oslo from 1972. Local sports clubs organize the tournament were youth in the age between 10 – 19 years come from all over the world to play football and have fun in a multicultural community. Human rights and other social issues is a major motivation for the tournament, and the organizer is collaborating with Red Cross Norway and several other agencies. Approximately 30,000 youths are participating from almost 40 countries, and 1,500 teams play more than 3,000 football matches during one week. Oslo municipality has awarded NOK 2 million to the event in many years, and in 2011 they decided to give the organizer NOK 4 million (Vestereng 2011).

Norway had never hosted a world handball championship before 1985 when a B World Handball Championship for men that took place (Fredriksen 2004). The Norwegian Handball Federation applied for a World Championship in 2017 but was rejected because of a mistake regarding deadline; the application was sent too late (Hole 2011). Norway applied for Men’s EHF EURO to Norway in 2006 but lost against Switzerland at that time (Fredriksen 2004). Norway also applied for the 2008 Championship, and this time they were sure they would not
lose because of an internal agreement with Denmark resulted in Norway as host for the championship; Denmark should withdraw from the voting as the only challenger for EHF EURO 2008 (Overvik 2004). The revenue for EURO 2008 was NOK 33.08 million and with more than 1.2 billion television viewers gave a new record of an EHF EURO tournament (Ehf-euro 2008). According to NHF (2012) Norwegian Handball Federation is preparing to apply for hosting men’s European Championship 2016 conducted in four different cities. After evaluation of previously championship the Federation wants to focus on creating higher standard for the athletes to make them focus more on the performance. It comprises training facilities, accommodation, and quality of food services, transportation, and minimizing of the traveling time for the teams. The Ministry of Culture, NIF and mayors in the host regions give their support to the championship. New venues and facilities of international standard have to be build to 2016 because the existing capacity in some of the host cities is too low (Jørgensen 2012).

The women’s IHF World Championship was hosted in Norway in 1993 with 16 nations competing in 13 different venues, and Norges Håndballforbund had a revenue of about NOK 1.2 million (Johannessen 1997). This event was seen as the best World Championship for women that far. In 1999 Norway hosted the IHF World Championship for women together with Sweden and Denmark, but Norway was the main organizer (Johannessen 1997). 24 nations participated in the tournament (VG 1997), and it was estimated to cost about NOK 40 million but with a increased income compared to the 1993 Championship (Johannessen 1997). A Norwegian broadcasting company (TV2) bought the TV-rights for the tournament and to make it less expensive the event was mainly hosted in Oslo (Svensen 1998). 2010 Women’s EHF European Handball Championship was co-hosted in Denmark and Norway, for the very first time. The EHF President Tor Lian stated that the event was successful: “This was a kind of experiment, but with two strong handball nations, the outcome was very successful” (Ehf-euro 2010). The statement can be interpreted positively but it is said that the tournament was promoted insufficient which resulted in low numbers of attendance at the venues. Nevertheless, the tournament seemed to be successful because handball is a popular sport and since the Norwegian team performed very well.

Stavanger hosted the Swatch FIVB World Championship (vmstavanger) in 2009 with 110,000 tickets sold during ten days of tournament, which is the highest visitor numbers for this sports
world championship so far. The broadcasting reached around 156 million viewers across the world and the International Volleyball Federation (FIVB) characterized the world championship as “best ever”. The official organizer was World Event AS which annually planned and conducted the international tournament World Tour in Stavanger from 1999 to 2011. It is assumed that this annual international tournament has given World Event AS, the Norwegian Volleyball Federation, more than 400 volunteers, and related sponsors, the foundation of know-how and experiences needed to host such a successful event in Stavanger. Nevertheless, the World Tour was cancelled in 2012 (Regionen 2012) because of too high economical risk with a budget of approximately NOK 22 million (Vmstavanger 2012).

World championship in Trap, Skeet and 100m Running Deer was hosted in Oslo in 1961 and was in the row of number 9 of its kind, and the 7th World Air Gun Championship with Rifle and Pistol for both men and women were held in 1991 in Stavanger (ISSF).

4.3.4 Olympic Games

Norway has hosted the winter Olympic Games two times during the history, and is planning to apply for being host for the winter Olympics again. The following chapter gives an overview of the Winter Games that have been hosted in Norway and future Olympic Games.

Oslo Olympic Games 1952

Norway wanted to apply for the Olympic Winter Games already in 1935 and was considering being host for the 1948 Games, but the economic situation after the World War II put a stop sign (Olympist.org 2012). The 6th Olympic winter Games was hosted for the first time in the capital city of Norway (Winners 2012), Oslo, in 1952, and it was the first time for a Scandinavian country. There were 30 nations who participated, 694 athletes (109 of them were women) (Kunnskapsforlaget 2012), and they competed in 22 different sports (Olympist.org 2012). During the nine days of competitions, about 500,000 paying spectators showed up, and Holmenkollen attracted about 101,400 of them (Oslo2011h). In addition almost 40,000 people visited the free area of Holmenkollen, which gave a new spectator record. The Olympic Games and the FIS championship was organized as the same competition, and therefore the winner got two medals even though the athletes performed only once (Oslo 2011 2011g).
"The Winter Games come to the birthplace of modern skiing"

(Olympic.org 2012)

This quote is stated on the official website of the Olympic Movement about the Winter Games in Oslo. Investments of new facilities and modern measurement equipment were made in advance, and the ice hockey tournament was for the first time hosted indoor (Bryhn 2012b).

**Lillehammer Olympic Games 1994**

The Olympic winter Games in 1994 was the first and only time the Games were staged two years apart (Olympic.org 2012), and after losing the Games for Albertville in France in 1992 Norway applied for the 1994 Games as the only country (Hove-Ødegård, Sten Celius and Brun 2004). As Hove-Ødegård, Sten Celius and Brun (2004) stated that idea of Lillehammer as a host region was related to the potential impact an Olympic Game and could be beneficial both to the business and the tourism. Never before were the beneficial impacts a stronger motivation than the Games itself, mainly because of the period of economical difficulties in the 1980s. In 1987 the government gave a guarantee for NOK 1.8 billion, and one year later Lillehammer was awarded the Olympic Winter Games of 1994. Given that several facilities had to be built the government received several applications for more guarantee during the organizing period to increase the economical assurance, and an example was the application of NOK 200 million for building the indoor facility for speed skating in Hamar. Overall, the Games were subsidized by government with 75 – 80 percent of costs related to infrastructure for the games, and the rest was funded by the National Gambling Corporation. The key numbers of the Games are showed in the Table 4.11.

**Table 4.11: Cost of Olympic Games Lillehammer 1994: (Hove-Ødegård, Sten Celius, and Brun 2004, p. 15)**

<table>
<thead>
<tr>
<th>Cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation and event costs</td>
<td>NOK 4.6 billion</td>
</tr>
<tr>
<td>Investments</td>
<td>NOK 1.7 billion</td>
</tr>
<tr>
<td>Other Public Costs (risk assessment and transportation)</td>
<td>NOK 1.0 billion</td>
</tr>
<tr>
<td>Other costs</td>
<td>NOK 0.2 billion</td>
</tr>
<tr>
<td><strong>Total Cost of OG</strong></td>
<td><strong>NOK 7.5 billion</strong></td>
</tr>
</tbody>
</table>
The income was NOK 2.8 billion which makes the total net cost for the event NOK 4.7 billion. It is estimated that the private investment was NOK 4.6 billion and the after effect of the constructions is estimated to have given back around 28% which means approximately NOK 2 billion. It is argued that the effect has increased tourism, nationalization, new work places, but the impacts might be direct or indirect. And also the demand of knowledge about how to host events related to sports, culture, logistics, and development of activities as congress tourism has a lot to do with the development and conduction of the Games. On the other side, some impacts have not only been positive since some businesses invested a lot the time before the event, and when it was all over some got bankrupted.

The following Table 4.12 shows the main numbers of participants/visitors during the Games.

<table>
<thead>
<tr>
<th>Actors</th>
<th>A number of participants/visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants</td>
<td>1,737</td>
</tr>
<tr>
<td>Managers / staff</td>
<td>1,821</td>
</tr>
<tr>
<td>Participating Nations</td>
<td>67</td>
</tr>
<tr>
<td>Volunteers</td>
<td>12,035</td>
</tr>
<tr>
<td>Media staff</td>
<td>7,887</td>
</tr>
<tr>
<td>Accredited Persons</td>
<td>42,163</td>
</tr>
<tr>
<td>Paying Audience</td>
<td>1,207,396</td>
</tr>
<tr>
<td>Estimated Total Audience*</td>
<td>2,170,000</td>
</tr>
<tr>
<td>Number of Nations Broadcasting from OG</td>
<td>134</td>
</tr>
<tr>
<td>Average Number of Viewers per day</td>
<td>669,000,000</td>
</tr>
</tbody>
</table>

*Approximately

Paralympics was hosted the same year and the conditions for disabled people were considered from the beginning of the planning. The income was NOK 20.1 millions which make the total net costs NOK 74.1 million. In Table 4.13 the key numbers from Paralympics are presented.
Table 4.13: Cost of Paralympics 1994 (Hove-Ødegård, Sten Celius, and Brun 2004, p 15)

<table>
<thead>
<tr>
<th>Cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operation and event costs</td>
<td>NOK 81.6 million</td>
</tr>
<tr>
<td>Investments</td>
<td>NOK 8.4 million</td>
</tr>
<tr>
<td>Other costs</td>
<td>NOK 4.1 million</td>
</tr>
<tr>
<td><strong>Total Costs of Paralympics</strong></td>
<td><strong>NOK 94.1 million</strong></td>
</tr>
</tbody>
</table>

The facilities build for the Games was also used during Paralympics in the disciplines as alpine, cross-country, biathlon, sledge hockey, and skating with sledge and spikes. The following table Table 4.14 shows the main numbers of participants/visitors during the Paralympics.

Table 4.14: Participants and visitors of Paralympics 1994 (Hove-Ødegård, Sten Celius, and Brun 2004, p 15)

<table>
<thead>
<tr>
<th>Actors</th>
<th>A number of participants/visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants</td>
<td>636</td>
</tr>
<tr>
<td>Managers / staff</td>
<td>387</td>
</tr>
<tr>
<td>Participating Nations</td>
<td>32</td>
</tr>
<tr>
<td>Media staff</td>
<td>648</td>
</tr>
<tr>
<td>Spectators</td>
<td>100,000</td>
</tr>
<tr>
<td>Volunteers</td>
<td>553</td>
</tr>
<tr>
<td>Other (Military etc.)</td>
<td>650</td>
</tr>
<tr>
<td>Number of Nations Broadcasting Paralympics</td>
<td>26</td>
</tr>
</tbody>
</table>

Considering the Lillehammer Olympics as a whole it had been referred to as a successful mega sports event. When evaluating the success the statement from IOC’s president count heavily.

“The best winter Olympic Games ever”

(Oslo 2011 2011c)

Juan Antonio Samaranch stated this after the games and argued that Norway was a pioneer for the Olympic idea and for future games (Oslo 2011 2011c). Lillehammer worked hard to make
the event as “green” as possible, and established a project in cooperation with the public authorities to cope with the environmental issues which resulted in 80% of the audiences traveled with train or bus. Well organized sorting and recycling also paid off in reducing the waste. IOC has after Lillehammer Games considered the environmental question as relevant and important for future applicant cities. Another area that got international attention was the design program based on old rock carvings, rock- and snow crystals, and traditional Norwegian colors. (Hove-Ødegård, Sten Celius, and Brun 2004)

**Future Olympic Games in Norway**

IOC decided December 2011 that Lillehammer is going to host YOG\(^{27}\) in 2016 (Lien 2011). According to IOC and Commission (2011) the YOGOC\(^{28}\) budget is of approximately NOK 370 million and around 49% of all revenues are guaranteed in form of government support. Moreover, IOC contributes financially with NOK 140 million which is 36% of the budget, and if any potential economic shortfall in the budged should appear the Norwegian government made a guarantee that they will to cover the loss.

An ongoing discussion about Norway as a bidder for Olympic Games in 2022 will be decided in spring 2012 (Holmlund 2012). The process started in 2007 when Tromsø wanted to bid for the Olympic winter Games in 2018 but after a lot of discussion Tromsø was not approved as a potential city for the Games. It was discussed if Oslo should bid and in the time of writing the thesis the bidding process is in progress. Oslo has debated that because of the decrease in revenue in lottery. The ruling party has suggested that the policy of dividing the lottery funds should increase from 45.5% to 64%, but in 2011 the lottery revenue is expected to decrease by NOK 100 – 150 millions (Torvik 2011). It is expressed in the media that the national sports federations will say no to apply for the Olympic Games if it is affecting rest of Norwegian sports financially, and it should not give any backlog of costs (Torvik 2011). All seven National federations of winter sports have given their blessing to apply for a new Olympic Games in 2022 with Oslo as host city. Tromsø was a city candidate to apply 2018-OG and the minister of culture stated at that time that NIF had to contribute with NOK 1 billion from the lottery fund if it should be appropriate, but later on the minister reduced the

\(^{27}\) YOG: Youth Olympic Games

\(^{28}\) YOGOC: Youth Olympic Games Organizing Committee
amount to NOK 600 millions and it is still valid for the Oslo bid (Torvik 2011). It is argued that by hosting Olympic Games in Oslo would create large economic activity and labor for many people, but it exist some skepticisms from profiled persons in the sports area (Torvik 2011). The Norwegian sports president, Børre Rognlien said to a local newspaper March 15th 2012 that he interprets that Norway will apply for the Olympic Games in Oslo 2022 (Aftenblad 2012). How the financial frame of the application will look like is not yet decided but as a suggestion for the financial plans of an OG in Oslo is 11.1 % of development of the facilities should be funded by the lottery, 22 % should be funded by the municipalities, and the state should finance the remaining two-thirds of the costs (Strøm 2012).

As the IOC and Commission (2011) emphasize NIF want to host the Games in Drammen, Lorenskog, Hamar, Lillehammer and Ringebu/Øyer which means that more than one municipalities and counties have to share the costs, and also development of new infrastructure between the regions is planned in a new concept for railways and roads to shorten down the traveling time. IOC has restriction regarding the participants that indicates that they should not travel more than 30 minutes from the village to the venue, and according the evaluation of YOG in 2016 the transportation operations seems reasonable. The politicians in Oslo are positive regarding Olympic Games in Oslo but are not willing to take all the expenses by themselves (Strøm 2012). They argue that since it is a national event it should be financed by the national government and not by the money in the municipality which is supposed to be assigned other purposes but sports. The Ministry of Culture emphasizes that the venues build for the games in 1994 will be re-used if the state is going to give a guarantee for a new winter Olympics (Sveen 2012). It is also emphasized that the sport will pay a much larger part of the bill compared to Lillehammer Games. Moreover, the government has already allocated NOK 60 millions to upgrading of already existing national facilities.

IOC has indicated that a Youth Olympic increases the chances of being awarded the Olympics in the future, and considering the patterns of how IOC awards the Games there is a possibility that a European country win the bid (Lien 2011).
4.3.5 Upcoming major sports events

Upcoming events are IPC Ice Sledge Hockey World Championships which is going to be hosted in Hamar March 2012 (IPC 2012).

Voss is hosting the try out for FIS Freestyle Ski World Cup Aerials and FIS Freestyle Europacup Skicross in March 2012 (FIS 2012), and in 2013 FIS Freestyle Ski World Cup Aerials starts. The venues located in Myrkdalen are estimated to cost about NOK 50 million when it is completed to the event in 2013 (FIS 2012).

For the first time a World Championship in 10-dance is awarded Norway, and it will be hosted in Oslo November 2012 (Oslofjordblogg 2012).

Norges Badmintonforbund is going to host the Norwegian International Championship in Oslo November 2012 and 2013 (BWF 2012).

FIA World Rally Championship is hosted in Norway and Sweden February 2013 (FIA 2012). In 2013 Norwegian Skating Federation is hosting World Championship in all-round speed skating in Hamar Olympiske Anlegg (Hamar).

The 2013 European Short Course Swimming Championships is awarded to Bergen (Jansen and Tomasmgard 2012).

In 2016 the Winter Youth Olympic Games is going to be hosted in Lillehammer.

4.4 National policy for hosting major sports events in Norway

The research has not proved that any national strategic support for sport event in Norway does exist. In a conversation with the general manager of Møre & Romsdal regional sport’s governing body it emerged that there is a call for a change in the national policy for hosting sports events because it is not an overall movement toward a common goal. It appears to be too much randomness in applications and who is awarded sports events, and it is argued to waste both time and money.
In chapter 4.4.1 a general strategy regarding Norwegian sport’s international work is presented. The concept of the strategy is not directly based on sports events but it is about gaining knowledge and education about the international trends in sports and events, and how the strategy leads to acquire a significant role in organizing conferences and other events in Norway. In communication with a counselor in NIF it is stated that this strategy is currently under development and improvement, and that the new draft if currently in finishing in NIF’s general secretariat. It also came out that Norway needs a strategy for international events, but if a strategy is needed to cope with the event trends is not known. In chapter 4.4.2 a governmental strategy related to event tourism is presented which first phase is about to be developed in 2012 by Innovation Norway and Norway Convention Bureau (NBC). NBC deals with the requirements of being a coordinator and currently collect information of trends related to bidding process of hosting international sports events.

### 4.4.1 Strategy for Norwegian sport’s international work

According to the sport policy document (NIF 2007) approved by the sport council in 2007 contains information about an international strategy for Norwegian sport’s policy and contains objectives about how Norway can work towards hosting more international events. The international strategy reflects the basics value in Norwegian sports (joy, health, community and honesty), and the United Nations’ Child Convention. The changes in the international environment and organization of the sports affect the Norwegian way of organizing, and a strategy is needed to continue to maintain the reputation of Norway as a world class country in sports and events. In the status description it is said that Norway already have a lot experiences in hosting sports events and conferences, and underpin this statement by referring to “the best game ever”. The main objective of the strategy is as follow:

“To be updated on the international developments and be able to influence it, the Norwegian sports are going to be represented internationally with educated and skilled representatives in relevant governing bodies and forums”

*(NIF 2007, p. 4)*
One of the strategy objectives is to increase the Norwegian influence in international federations and in IOC, EOC, IPC and ENGSO\textsuperscript{29}, as well as cooperate with Barents Region, northern Scandinavia and Russia according to national policy priorities. By following the Norwegian priorities about foreign policy the sports will be involved in solidarity work and development in cooperation with selected countries, and be engaged to projects in the European Union with priorities of Nordic countries\textsuperscript{30}. The government has own statements about the field of development in the northern areas where sports are seen as an important contributor to development of individuals and society. A mutual relationship and cooperation between the sports, Ministry of Culture Affairs and Ministry of Foreign Affairs is a part of the strategy of how to influence and involve Norway in the international events, meetings and conferences. Norway as a nation should represent elite sports, NIF and the national federations as important governing bodies in the international context. Section 1.1.2 of the document is about International Sports Events and Championships in Norway where the nation should organize important events for the representative sports. By organizing successful events, positive reputation is automatically given to the responsible persons, and high valued political and technical positions might occur. In addition, valuable positions are a good contribution to facility constructions and it might also give contribution of good commercial and business relationships. According to the strategy, the opportunities for special funding should be explored in purpose of attract, plan and host international meetings and conferences in Norway. It is also written that NIF should aim for making Norwegian sports more attractive as organizer and for development of a special funding in cooperation with the public authorities to do so. The importunateness of a visible and active participation from Norwegian sports bodies in international events is related to IOC, ENGSO, WADA and to EOC EU Office. The international coordination in NIF is primarily through IOC but to be able to collect information from other important international bodies, NIF is related to the EOC EU Office which is active in a large scope of sports (through the “White Paper”\textsuperscript{31}). NIF pay a fee to the office and is regularly invited to participate in educational courses and meetings. It is also an opportunity for NIF to learn more about how to apply for subsidizing from different EU programs which support projects of civil society.

\textsuperscript{29} IOC (International Olympic Committee), EOC (European Olympic Committee), IPC (International Paralympics Committee) and ENGSO (European Non-Governmental Sport Organizations)

\textsuperscript{30} Nordic countries as Sweden, Finland, and Denmark


85
Section 1.2 in the document is about international work related to elite sport. Olympiatoppen (Olympiatoppen) is an organization that, in cooperation with the Ministry of Culture, has the overall responsibility for Norwegian athletes’ performance, and the management responsibility for the national participation in the Olympic Games and Paralympics. In preparation for the Olympic Games and the implementation of it, it is important to maintain the participation in international political and technical forums to influence the bodies related to the games. According to the NIF (2007) the organization is actively working to maintain and develop the formal and in-formal relationships by continuously be in contact with NOCs representatives in IOC, ANOC and other Olympic Committees in Europe, Oceania and the United States. An international executive committee is established with representatives from NIF and the National Federations in purpose of implement the strategy, and to recruit and educate the potential international representatives. The committee shall also consult in the development of subsidizing related to provide events to Norway. In addition to the strategic work, a three days Olympic Academy is hosted annually to promote the values of Olympism and set focus on sports and education for youth athletics in the age of 18 to 35 years.

4.4.2 Governmental strategy related to event tourism in Norway

Innovation Norway (Innovasjon Norge 2011) is a global organization localized through Norway’s embassies in more than thirty countries, and also localized in all 19 counties in Norway. It is a Governmental instrument related to development of competitive advantages for businesses’ domestic and international markets with financial support, advisory and promotion. The governing body of Innovation Norway is the Ministry of Industry and Trading and is the main owner of the corporation with 51 % share of the ownership, while the Norwegian county authorities have 49 % share. They want to develop innovative and successful business through promotion of Norway as an attractive tourist destination, and in 2007 the government’s event tourism strategy signalized a new project called “Hvitebok for arrangementsturisme” (White Book for Event Tourism) (Innovasjon Norge 2011). The government awarded the project to Innovation Norway who gathered a work group to establish a city project for development of large cities in Norway as tourism destinations through international sports- and cultural events. By focusing on systematically hosting international sports- and cultural events in the large cities is argued to contribute to sustainability regarding workplaces and travel industry. It does not exists any national

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32 Large cities: Oslo, Bergen, Trondheim, Stavanger, Tromsø, Kristiansand
guidelines for development of event tourism, and in that matter the White Book for Event Tourism is supposed to be a framework and a practical tool for the destinations to start, and develop event tourism. Innovation Norway has engaged consultancy firms to identify if Norway is ready to attract international cultural and sports events, and prepare the destinations for these events. The national resource center Norway Convention Bureau (NCB) (Holm 2011) is in charge of promoting Norway as a potential destination for future international congresses, meetings and events. According to the White Book for Event Tourism (Innovasjon Norge 2011, p. 6) event tourism is described as “the development and the promotion of events to achieve economical and social benefits”, and an event tourist is described as “a person who visits the destination in purpose of participating or be a spectator to an event”. The consultancy firms focused on international events with following characteristics:

- The events is organized by or in cooperation with an international organization
- It has to be a national host applying for the event
- The events have to be a recurring event hosted annually or organized every other year
- It is hosted in different countries and continents
- There is a great competition for hosting the events

Mega-events like Olympics and UEFA EURO is characterized as projects with much more political involvement and economic guarantees on the national level, and is therefore not considered directly as a part of this strategically project of event tourism. Hence, it is argued that the project is a door opener for hosting mega-events in the future because the competence in the destinations will be increased through experiences of hosting smaller international events.

The motivation for develop a strategic tool for event tourism is related to the trend of continuous growth in the industries of adventures and experiences, and Norway’s destinations and cities wish to be a part of these trends. The investigation indicates if the Norwegian cities are qualified to be a part of the trends. Norway is viewed upon as well organized, reliable and professional host. In addition, Norway is perceived as friendly and hospitable, and as a well organized country as a whole with necessary facilities to host international events. This is important factors in the when increasing the city identity, volunteerism and the local sports and cultural activities. It is argued that the event tourism is an important part of the local

33 Consultancy bureaus: Aniara and Norway Convention Bureau (NCB)
production of commodities and services, and that it creates robust labor market in different formal structures. When a city are planning and conducting an event the formal structures involved has to establish networks and constellations that crosses the structures, which creates diversity and dynamic between the stakeholders involved. Another aspect of the strategy argued to be of importance is the effect an international event can create among the citizens in form of increased affinity to the city. Another motivation for the White Book for Event Tourism is to achieve competitive advantages through a well developed strategy to avoid the large amount of waste and pollution in the environment. The awareness around this topic is important for all stakeholders and businesses with any interest in the events because they want to appear as serious contributors and with regard to the society. This particular work is in progress and standard programs are compiled by an international network organization called Global Reporting Initiative (GRI). The economic aspect of an event is mentioned on local ties where the spin-off effect in the host cities increase industries and maybe also prolong the seasonal industries. When the benefits are redistributed within the country, it is considered as local and/or regional benefits not as a national benefit.

The need for a holistic strategy for the destination companies is present and necessary if the tourism industry is going to be able to cope with challenges and factors which are mentioned above. It will define what kind of role the tourism destinations in a region will have and make it possible to coordinate the event activities. A suggestion for a minimum solution is to make the destination companies\textsuperscript{34} to cover shared functions as a marketing body. In the future Innovation Norway want to coordinate the tourist destinations’ development and increase the possibilities to host large events and to create a function shared in all destination companies together with the municipality, industry and other relevant companies. The strategy plan for events should be a part of the municipalities and regions business plans, but the host region have room for creating an individual strategy adjusted to take advantages of their individual competitive advantages.

The White Book for Event Tourism shows how a strategy can be developed with a four step process consisting of finding facts, SWOT, ambitions, and strategy, see Figure 4.5. This process will be described in next session.

\textsuperscript{34}The official meeting planner site for Norway give an overview of the destinations: \url{http://www.visitnorway.com/en/Meetings/Destinations/}
By analyzing the different key factors essential to host successful events makes it possible to achieve the main goal of completing the strategy:

“Strengthen the foundation to organize more and larger events”

(Innovasjon Norge 2011, p. 12)

Step one in the strategic process is to make an analysis of the current situation and condition to be sure that it makes any sense of conducting further steps in the strategically work. The facts that are needed to be mapped are listed in table Table 4.15. By systematically investigate and map the factors, it is possible to highlight what kind of events that is realistic for the destinations to host in short and medium term.

Table 4.15: Key issues deserving attention in process towards strategic event hosting policy in Norway: (Innovasjon Norge 2011, p. 13-14)

<table>
<thead>
<tr>
<th>Subjects</th>
<th>Description</th>
</tr>
</thead>
</table>
| Facilities        | • Map the capacity, what kind of events it is capable to host, parking opportunities, availability, wardrobe facilities etc.  
      | • Map future plans of renovation and new constructions  
      |   - Venues, arenas, stadiums, sports halls, etc.                                                |
| Accommodation     | • Map accommodation capacity                                                                  |
|                   | • Map future plans of expansion  
      |   - Hotels, motels, camping, schools etc.                                                       |
| Conducted events  | • Map what events that has been hosted in the current city in the past  
<pre><code>  | • Systematically collect information about the success rate; sustainability and risks assessments |
</code></pre>
<table>
<thead>
<tr>
<th>Section</th>
<th>Tasks</th>
</tr>
</thead>
</table>
| Overall strategies | - Map scope of economy, audience, participants, accommodation, experiences and challenges  
- Examine the opportunity to relate the strategy to the municipality plan, industrial plan etc. |
| Tourism | - Briefly describe the tourism organization  
- Map existence of collaborative structures and forums  
- Map the existing experiences the destination company already possesses |
| Municipality | - Briefly describe how the municipality organize event management in the region, and examine if it exist an event coordinator / manager  
- Give an overview of key persons in the municipality: - Political and administrative management  
- Department of sports and cultural affairs  
- Department of industrial affairs |
| Culture | - Give a short description of organizations and key persons within culture  
- Map if it exist ambassadors who has achieved high level performance in the particular culture genre |
| Sport | - Give a short description of sports organizations and related key persons  
- Investigate if it exist a naturally coordinating body  
- Map if it exist ambassadors who has achieved high level performance in the particular sport |
| Industry | - Give a short description of relevant business partners in the city/region: - Real Estate Companies, commercial associations, Industry associations, local and regional key industry |
| Stakeholders | - Give a short description of relevant existing groups that may contribute to implementations of events with expertise in manufacturing and marketing: - Festivals, projects, commercialized firms |

Step two is about analyzing the destination by using a SWOT analysis. This analysis will address the city’s most important internal and external factors and map what kind of comparative advantages to underlie the strategy. The SWOT should be anchored beyond the destinations own forum. Step one and step two together provides a good picture of today’s situation and give a good basis for further development of the city’s level of ambition. By
initiate workshops in the destination companies’ narrow circuit, it is suggested to enable the first brainstorming related to questions about the ambition level. Some strategic questions are listed in Table 4.16 and are meant to be a tool in the further development of the strategy. This makes step three of the process.

**Table 4.16: Key questions in process towards strategic event hosting policy in Norway (Innovation Norge 2011, p. 16-17)**

<table>
<thead>
<tr>
<th>Strategic questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is the level of ambition? Activity all year or aim for a special season? What event size is appropriate? Are the events going to contribute to development of facilities and particular industries?</td>
</tr>
<tr>
<td>What are our advantages as organizer of sports and cultural events?</td>
</tr>
<tr>
<td>What area is most important to develop on short and long terms? Is it possible to map the destinations’ shortages?</td>
</tr>
<tr>
<td>How should the organizing and financing of public goods and public marketing efforts be arranged? Describe and access the current challenges. What is not feasible and what needs to be changed in the future development of event tourism?</td>
</tr>
<tr>
<td>What are the costs of applying for facility development and implement particular events? Identify resources and conditions for further development and revolving cultural or sports events (future event concepts). Facilities, appropriate venues and its need for investments is an important condition.</td>
</tr>
<tr>
<td>Get an overview of relevant cases and specific issues (municipal plans, major road construction plans, and/or other important matters for development of the city).</td>
</tr>
<tr>
<td>Clarify the stakeholder’s involvement for the future development of cultural and sports events in long term.</td>
</tr>
<tr>
<td>Map the most relevant issues of today and the future opportunities. Create communication and good discussions at the destinations.</td>
</tr>
<tr>
<td>Anchor the awareness of the methods and objectives in event tourism.</td>
</tr>
</tbody>
</table>

Norway has in many cases been focusing on hosting major sports and cultural events, but the cities has often own developed events with strong regional, national and sometimes even
international positions. Any formal cooperation between different event organizers and between host cities does not exist, which means that the flow of knowledge and experiences are low. The potential of improve the coordination and cooperation between the organizers are high, and by creating a formal cooperation can potentially give a synergy effect. With ambitions of hosting major sports events in Norway, it might be a better solution to start with smaller international event. It is argued to be a good strategy because it provides the opportunity to acquire knowledge about international events that strengthen Norway’s position for a future bids for Olympics. This process is illustrated in Figure 4.6 and it shows that an undergrowth of smaller events is necessary regarding increasing the competence, and to be able to manage more complex events. Olympic Games are in level 1 of the pyramid, and will most likely never be hosted in many of the destinations. Hence, the pyramid shows an important principle of how a strategic development related to attracting more and larger events to Norway.

Figure 4.6: The process of hosting events in Norway (Innovasjon Norge 2011, p. 18)

![Event Pyramid]

To be able to go to a higher level of the event pyramid, it is important that the events are of high quality and that the implementation capacity is characterized as good. By involving sports federations, politicians, relevant industries, and tourism industries in the long term planning, it can increase the frequency of large and medium large international events.
Related to event tourism some assumptions are needed to indicate the potential numbers of visitors at a specific sports event. The consultancy firms estimated numbers for potential visitors for various sports events (see Annex 6.3), and the list is used as a check list that indicates what numbers to operate with when hosting a particular sports event.

Step four of the strategy development is the step where a plan of how to achieve the ambitions is set. The requirement for success in event tourism depends on the cooperation across stakeholders who understand their role of involvements. The destination company should have a central role in the network which is important when increasing the competitive advantages as a host city. Broad anchoring between and across fields is needed. The network of stakeholders is illustrated in Figure 4.7.

**Figure 4.7: Stakeholders network in process towards strategic event hosting policy in Norway: (Innovasjon Norge 2011, p 20)**

The actors’ roles and motivation for cooperation needs to be clarified to organize a successful event, and knowledge from organizing events should be shared across the fields. The destination company is in the position to have the role as coordinating tire before, during and after the events. It will provide lists and overviews of criteria needed in the process of hosting
different sports and cultural events. Organizing meeting points and make the financial aspects visible for the stakeholders is other important aspects of the strategy of event tourism. Destination companies and their strategic roles is clarified and related to different types of events. Please see Table 4.17.

Table 4.17: Different types of events and Innovation Noray approach (Innovasjon Norge 2011, p 28)

<table>
<thead>
<tr>
<th>Type of events</th>
<th>Innovation Norway’s role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own developed and established events</td>
<td>Adding value to the event by offer press programs, VIP, packaging etc.</td>
</tr>
<tr>
<td>Own developed new coming events</td>
<td>Catalytic role.</td>
</tr>
<tr>
<td>Rotating awarded events</td>
<td>Add value to the event by offer press programs, VIP, packaging etc.</td>
</tr>
<tr>
<td>Rotating potential events</td>
<td>Catalytic role, and be a contact point to NCB.</td>
</tr>
</tbody>
</table>

The destination should help develop and improve the host surroundings to increase the atmosphere in the city by offer activities beside the events itself. The destination companies should make the host city’s quality visible for the event tourists, contribute to ticket sales through packaging, use the tourist information offices as a meeting point, and assisting the event organizer to get in touch with other stakeholders.

Evaluation of the conducted events are needed to analyze areas of improvement, what to do differently, and to make documentation available. Destination companies can use their role to collect and redistribute the information from the evaluation to NCB. This way the analysis and measurements of the economic impacts from hosting events will be available from the NCB, and the future strategic work is coordinated at a national level. In addition, NCB will systematically identify the bidding processes for hosting rotating sports events in detail and make the information available for partners and other relevant stakeholders.

In Figure 4.8 a holistic model is presented for local economic effects of cultural and sports events, and is an approach that combines a top-down and a bottom-up model. It sums up how the strategy will work when it is implemented.
By combine an international estimate from NCB to a national effort with national/local approach mobilized at local level, the strategy is meant to increase the numbers of international events in Norway. Innovation Norway is the owner of the model but the NCB is in charge of running it, and in 2011 NCB invited destination companies, sports federations, culture organizations, and local, regional and national authorities to be partners of the project that stated in January 2012. The start phase of the project is deiced to have duration of three years, and during this period the partners is obligated to attend the whole period. The price for being a part of the event tourism strategy is an annual fee of NOK 65,000 plus VAT, and the bureau has estimated the economy for the first year of the project. See table Table 4.18.
Table 4.18: Financial estimation of pilot phase towards strategic event hosting policy in Norway (Holm 2011, p. 11)

<table>
<thead>
<tr>
<th>Costs (NOK)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year worth incl. social cost and office</td>
<td>800,000</td>
</tr>
<tr>
<td>Traveling and activities</td>
<td>350,000</td>
</tr>
<tr>
<td>Total cost</td>
<td>1,150,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue (NOK)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation Norway</td>
<td>500,000</td>
</tr>
<tr>
<td>10 partners à NOK 65,000</td>
<td>650,000</td>
</tr>
<tr>
<td>Total revenue</td>
<td>1,150,000</td>
</tr>
</tbody>
</table>

The invitation is highlighting networking and research as an essential part of the strategic work towards fast results. Because this strategically work started in January 2012 information about results is not available yet.
### 4.5 Outlines of results

Research findings have been summarized in Table 4.19 and discussed in the previous chapters.

#### Table 4.19: Outline of results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Czech Republic</th>
<th>Norway</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Historical development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment of main sport’s governing body</td>
<td>1862 Sokol</td>
<td>1861 NIF</td>
</tr>
<tr>
<td></td>
<td>1958 ČSTV(^{35})</td>
<td>1996 NOC merge with NIF</td>
</tr>
<tr>
<td></td>
<td>1993 ČSTV(^{36})</td>
<td></td>
</tr>
<tr>
<td>Remarkable major sports events</td>
<td><strong>one-off events</strong></td>
<td><strong>one-off events</strong></td>
</tr>
<tr>
<td></td>
<td>Ice Hockey World Championships</td>
<td>Olympic Games Oslo 1952</td>
</tr>
<tr>
<td></td>
<td>Všesokolský slet</td>
<td>Olympic Games Lillehammer 1994</td>
</tr>
<tr>
<td></td>
<td>FIS Nordic World Ski Championship 2009</td>
<td>FIS Nordic World Ski Championships</td>
</tr>
<tr>
<td></td>
<td>FIBA World Championship for Women 2010</td>
<td>FIS World Ski-Flying Championships</td>
</tr>
<tr>
<td></td>
<td>European Championships for both genders in volleyball</td>
<td>Ice Hockey World Championships</td>
</tr>
<tr>
<td></td>
<td>Cyclo-Cross World Championships</td>
<td>European All-Round Speed Skating Championships</td>
</tr>
<tr>
<td></td>
<td>Canoe Slalom World Championship</td>
<td>World All-round Speed Skating Championships</td>
</tr>
<tr>
<td></td>
<td><strong>recurring events (annual events)</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Barum Rally</td>
<td>World Short track speed skating Championship 1995</td>
</tr>
<tr>
<td></td>
<td>Moto GP</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Superbike World Championship</td>
<td>European Curling Championships</td>
</tr>
<tr>
<td></td>
<td>Velká Pardubická steeplechase</td>
<td>World Snowboarding Championship 2012</td>
</tr>
<tr>
<td></td>
<td>E.ON IBU World Cup</td>
<td>FIS World Telemark Skiing Championship 2011</td>
</tr>
<tr>
<td></td>
<td>Golden Ski</td>
<td>EHF EURO M 2008</td>
</tr>
<tr>
<td></td>
<td>Jizerská 50</td>
<td>EHF EURO W 2010</td>
</tr>
<tr>
<td></td>
<td>Golden Spike</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Josef Odlozil Memorial</td>
<td>IHF World Championships W</td>
</tr>
<tr>
<td></td>
<td>FIS Ski Jumping World Cup</td>
<td>World Trap, Skeet And 100m Running</td>
</tr>
<tr>
<td></td>
<td>Golden Helmet</td>
<td>Deer Championship 1961</td>
</tr>
<tr>
<td></td>
<td>Mystic Sk8 Cup</td>
<td>FIVB World Championship 2009</td>
</tr>
<tr>
<td></td>
<td>Davis Cup, Fed Cup</td>
<td>IAAF Championships</td>
</tr>
<tr>
<td></td>
<td>Prague International Marathon</td>
<td><strong>recurring events (annual events)</strong></td>
</tr>
<tr>
<td></td>
<td>FIVB Swatch World Tour (beachvolleyball)</td>
<td>FIS Alpine Skiing World Cups</td>
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<td></td>
<td>Cyclo-Cross World Cup</td>
<td>FIS World Cup Drammen</td>
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<tr>
<td></td>
<td>Canoe Slalom World Cup</td>
<td>Birkebeinerrennen/Birkebeiner Norway Cup</td>
</tr>
</tbody>
</table>

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\(^{35}\) Czechoslovakian Association of Physical Education

\(^{36}\) Czech Sports Association
<table>
<thead>
<tr>
<th>Significant actors</th>
<th>Ministry of Education, Youth and Sports Regions</th>
<th>Ministry of culture NIF – Non-profit organizations Regions Norsk Tipping Innovation Norway NCB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private sector entities</td>
<td>Private sector entities</td>
<td>Region</td>
</tr>
<tr>
<td>Non-profit organizations</td>
<td>Non-profit organizations</td>
<td>Norsk Tipping</td>
</tr>
</tbody>
</table>

### State sports event policy

Ad-hoc support, year-to-year grants. Most popular sports are prioritized over less popular sports. Golden Spike, Josef Odlozil Memorial, Tennis Czech Open is regularly supported events. Several cases of breaching declared rules within the policy. Governmental/Ministry patronage. No visible sports event policy paradigm.

Ad-hoc support, large involvement of Norsk Tipping. Regions decide the financial support to what purpose, in addition some sports are prioritized on national level (ski disciplines, ice-hockey etc.) The county government bodies have regional authority for allocation of funds to national federations, municipalities and local sports clubs. Increase of major sports events hosted and hosting Olympic Games again as sports event policy paradigm.

### State event policy and relation to tourism

CzechTourism is a governmental agency responsible for attracting foreign tourists to the Czech Republic and encouraging Czechs to travel domestically.

Promotion of sports events is within the scope of CzechTourism, nevertheless, it is not the main goal, and CzechTourism promotes rather new events with regional development potential than the established ones and major sports events.

CzechTourism is open to support a sports event organizer during the bid process in order to promote the country in the best possible way.

CzechTourism does not cooperate with Ministry of Education, Youth and Sports.

CzechTourism is open to support a sports event organizer during the bid process in order to promote the country in the best possible way.

CzechTourism does not cooperate with Ministry of Education, Youth and Sports.

Innovation Norway is a governmental agency in charge of attracting foreign tourists to Norway, and support Norwegian businesses overseas with financing, advisory and promotion to increase awareness of Norwegian culture and industry.

Innovation Norway and NCB cooperate on development of a national event tourism strategy to implement it on a regional / local level.

White Book for Event Tourism is a framework for destinations to host cultural and sports events, and a source of information about bid processes.

Ministry of Industry and Trading is the governing body of Innovation Norway.
5. Comparison and discussion of Czech and Norwegian sports event policies

In the next sections a comparison and discussion of the Czech and the Norwegian policy is conducted. First, the historical development in both countries are compared and discussed, followed by the comparison and discussion of the national policy of hosting major sport events. Furthermore, comparison and discussion of the policies in relation to tourism, followed by hypothetical determinants and barriers related to a new event policy, conducted.

5.1 Historical development

The beginnings of Sokol (*1862) and NIF (*1861) are similar not only because of the year of establishment but because both organizations were grounded on volunteering basis. Moreover, while Sokol wanted to show off democracy and unity of Czech nation, NIF pursued social inclusion and merged bourgeois and labor sports club and became an umbrella organization. The beginning of the development of Sokol and NIF did not cover all sports, although they perhaps tended to do so, various new sports and sports clubs became independent of Sokol and NIF. Thus, several events were held by different actors in both countries before the World War II, for instance Ice Hockey World Championships in Czechoslovakia and Grand Football Match in Norway. Even though the size of the events is considered as very different, independent initiative was needed when hosting events at that time. Centralization process after the World War II is also characteristic for both countries. However, one should be aware of different approaches of this trend. While undemocratic regime ruled the country in Czechoslovakia and centralization was set top-down, the opposite situation happened in Norway, as NIF merged with other organizations step by step in compliance with democratic principles. Past 20 years did not change structure of Norwegian sports as much as Czech sports, while Norwegian sports is still organized by NIF and voices for higher governmental intervention are getting louder, the public structural basis of sport in the Czech Republic has changed.

What kinds of major sports events were established and gained popularity in the Czech Republic and in Norway? Winter sports events and track and field competitions are popular in both countries, and for instance Norwegian Birkebeinerrennet and Czech Jizerská 50 are both on Worldloppet ski marathon events schedule. Specific sports events as handball tournaments, FIS Nordic skiing, alpine and skating competitions are typical for Norway, while ice-hockey
tournaments, motorsport races, basketball tournaments and cycling events characterize the Czech Republic.

5.2 National policy of hosting major sports events

Similarities in sports development in the Czech Republic and Norway is also a matter of fact on sports event field, both countries supports sports events but none of them have implemented legal strategic framework on national level. Despite of this finding, it is interesting to observe dynamics within public administration of both countries as Norway is the country that tries to change this status-quo, while structure of sport and sport events in the Czech Republic affected by unstable government situation\(^{37}\). Any upcoming change in concept or financing of sport and sports event has not been identified. Nevertheless, some similarities and differences have been found.

5.2.1 Significant actors

As the most influential actors on public sports event field in both countries have been identified regions, further private organizations on Czech side and Innovation Norway and NIF on Norwegian side.

The thesis deals with national concept of sports event hosting policies, thus significant regional role in this concept could be a surprising fact. However, researchers confirm this trend. Whitford (2009) argues that event strategy should be build by down-top approach. As research proved, it is mainly regions and government that share costs, in particular investment costs.

From Czech point of view, budget possibilities of regions are strengthening via subsidiary principle and also a new legal framework of lotteries. Influence of central government or Sokol faded away and regions can now apply several tools how to promote and support sports and sports events into large extent. However, sports policy and sports event policy can be independent and provide promotional space for regional politics. Such politisation or in other words malleability of sports described by Bergsgard et.al (2007) can ruin positive feelings and impacts on the region. Moreover, a missing link to other regions and unspecified

\(^{37}\) Governmental crisis, resignation of Josef Dobes, Minister of Education, Youth of Sport and affairs attached to Czech Olympic Movement contribute to this situation.
leadership/coordination role represents another constraint for sports organizations to arrange the event.

In Norway a large involvement of all stakeholders is planned (i.e. regions, event organizers, local businesses and industries). A draft of the process that should lead to strategy in Norwegian event business counts with higher organization effort on public side as governmental agency Innovation Norway and executive actor NCB should be the link and the coordinator among all stakeholders. A potential synergy effect of such cooperation consists of essential know-how and decrease imperfect information situation. As Whitford (2009) and Leopkey, Mutter and Parent (2010) notice, various event actors should be taken into consideration while the event policy is developed. A well-established connection between locals and other interests groups (media, government, etc.) is also pointed out by Schulenkorf (2011) as other critical factor in his work regarding sport-for-development (S4D) projects. Implementation of S4D enables to leverage social impacts and sustainable development and also eliminates unprofessional management due to the change agent role if it is done in a proper way. Thus, an idea of involvement of diverse range of actors is a positive finding. Moreover, Norwegian approach could be an inspiration for Czech regions and involved institutions. CzechTourism, governmental agency with similar objectives as Innovation Norway, could fill a missing position of events coordinator in the Czech Republic. However, CzechTourism has not found sport event tourism much important so far and rather operate on culture heritage field (only minor attention is given to congress tourism).

The development of sports/culture events in Norway will certainly influence NIF as a sole actor on sports field. Nevertheless, it is unclear how much a new concept will change current NIF position, but it is conceivable that the influence will strengthen the position of NIF as an actor. Sports organizations in the Czech Republic face a breaking point now, as they are about to decide their future.

5.2.2 National event policy and event trends

Both the Czech Republic and Norway support sports events. However, what is underlying paradigm and potential goals of such policy and relation to event trends. A significant factor contributing to the comparison has been found in corporatism/lobbyism type of political
influence as well as external contributors – globalisation and commercialisation on sport’s governing bodies and sponsors side. Different mixtures of these characteristics have been found in the Czech and the Norwegian sports events policy, so even different paradigm have evolved.

Compared to Czech sport Norwegian sport is strongly affected by paternalism (government acts for good of own inhabitants). So a central organization (NIF) has been established to promote and support sports activities among society, also gambling has been found as a risky business. Hence, several measures have been taken to ensure inhabitants well-being, for example, Multix machine, lottery fund for fight against hazardous behavior and gambling etc. However, the strict way and precisely stated measurements do not leave the space for another approach along with the stated one. An example is the clear percentual rule how the profit is divided between sports, culture and humanitarian activities. In case of Czech lottery Sazka the space for personal engagement and responsibility provided by Czech law resulted in financial problems for Czech sport. Of many examples these two introduce the way and the culture of both system – corporatism in Norway and lobbyism in the Czech Republic. What are the examples of lobbyism and corporatism in sports event policy of both countries?

In case of the Czech Republic, questionable criteria regarding the legal form of subsidy receiver that should be a non-governmental organization is on one’s mind as Miroslav Černošek, CEO of Tk plus a.s. and Česká sportovní a.s., is closely linked to organization of many sports events, for example Czech Open, which is regularly supported by state. This is just one case of many, where personal private interests are very close and perhaps even beyond the border of public welfare. No wonder that Miroslav Jansta, a new chairman of ČSTV, is perceived as a well-established lobbyist, who else could support Czech sports in difficult times than an experienced leader. In comparison, Norway is an example of a corporatist system where NIF and the government have a good and close relationship where NIF is yearly in discussion and negotiation with the Ministry of culture and is annually applying for awards. Significant persons in non-governmental organizations are often in close link to the state ministry and other public agencies with resolution power. It is conceivable that this may be one of the corporatist links that is not formalized.
Event trends are stated in literature overview as a red thread and due to complexity of the topic were not divided into separate chapter. Similarly, a response of both current sports event concepts to trends in event business is described below.

Major sports events are supported on national level in both countries but this support is ad-hoc and lack of vision, mission and long-term objectives. Nevertheless, Norway sets out on strategic path of sports event policy. A new concept of event support in Norway is underpinned by economic reasons (i.e. creating workplaces and support tourism industry) and is also recognized as a catalyst for hosting mega events in future via hosting several major events prior the mega event. Thus, ad-hoc steps on sports event field (e.g. building snowboarding stadium in order to demonstrate ability to host such sports activity during potential Olympic Games) become a part of strategic plan and hosting rather medium-sized events and proving proficiency before applying for mega events seems reasonable. Claims that strategy in event business supports continues development in this industry are also right as study by Chappelet and Theodoraki (2006) shows. Overall process of defining future Norwegian event strategy can be also perceived as well drafted because it tends to find also a regional event development paradigm, a critical part of event development policy according to Whitford (2009). Nevertheless, discussion about ethics and values should be also incorporated in the concept according to suggestion of Emery (2009), Chappelet and Theodoraki (2006) or Transparency International (2009). Although White Book for Event Tourism deals with evaluation phase of events it should be specified in detail as Solberg and Preuss (2007) and Leopkey and Mutter and Parent (2010) indicates, impact evaluation of events is complex and demanding process. Moreover, events require a large networking effort and as Schulenkorf (2011) argues sustainable development can be achieved through local actors’ engagement, continuous process and positive feelings effect regarding the event. Indeed, public disillusion can be an obstacle for future events, for instance FIS Nordic World Ski Championship Liberec 2009 or Ice Hockey 1999 has not promoted the sports event world well. This phenomena is known as a cognitive constraint for effective public sports policy (Numerato 2009). In addition, Norwegian strategy for hosting events follows some patterns of Canadian and Swiss sports event hosting policy described by Leopkey and Mutter and Parent (2010), for instance focus on ecological part of events in Norway represents added value as in case of Canadian federal concept, where they prioritized handicapped and aboriginal people, incorporation of strategy events plan into regional and municipal strategies in Norway is similar approach to the Swiss one, as they tried to improve cooperation between federal
government, cantons and municipalities. To conclude, a new concept of strategic support of events covers both economical and legacy issue as well as event tourism aspect.

The Czech paradigm for sports event policy was a bit more difficult to find and because of lack of objectives and other clues that have been identified in case of Norway. The conclusion is that there is no paradigm for hosting major sports events in the Czech Republic. National sports organizations cooperate independently of each other with the aim to host successful event or be a successful organizer of recurring events and random influence of region or state is present (even sports events with strong tradition cannot rely on every-year state subsidies). Moreover, the state support of major sports event is not taken seriously, as the budget is used to cover non-event activities and governmental agency Czech Tourism prioritizes other target markets over major sports events. To sum up, unclear ad-hoc support of major sports events along with patronage of president or government is no longer eligible in event industry. The highest peak of sports event world, the Olympic Games and its governing body IOC, stated clearly the need of long-term vision and sustainable urban development for the cities that tend to host the OG in future (Barrett 2011).

5.2.3 Recommendation

As long as both countries do not have a strategic sports event policy, it is obvious that strategy in this sector should and perhaps will be implemented. From this reason, topics that should not be overlooked in a new hosting policy are presented and also determinants and barriers that countries would face in case of implementation phase of new strategic hosting policy are discussed.

A common issue for both countries that should be taken into consideration is represented by negative legacy of prior sports events. Large investment cost in stadium and other facilities are often criticized when it comes to hosting major sports events and. Indeed, the evidence such as high investment cost in case of FIS Nordic World Ski Championship in Oslo in 1982, FIS Nordic World Ski Championship in Trondheim in 1997 or FIS Nordic World Ski Championship in Liberec in 2009 are available. Moreover, none of these venues hosted similar major sports events in upcoming years. Although, all of these events are represented by single sporting governing body, other negative examples can be found in other sports branches. These white elephants are menace for events industry and its future development.
Solution of this problem has been already partly discussed – feasibility studies can assure right allocation of public finance considering future regional development and usage of the venue. A good example from past is represented by sport-culture centres, so called ‘Sokolovny’, in the Czech Republic, these buildings still served for inhabitants nearby, while modern technology and architecture brings an ideal solution in form of temporary and portable venues. By and large, legacy issue should be a part of a new event policy to eliminate negative financial outcomes of white elephants. Similarly, public support of bidding phase should be also part of the policy as Leopkey, Mutter and Parent (2010) propose.

Czech sports event called Všesokolský slet that attracted thousands of participants and over 2 million spectators in the first half of 20th century, is a clear evidence of hosting major sports events in Czech lands from the very beginning of modern sports age.

Strong tradition of hosting major sports events was not weakened by oppressive regimes, e.g. Ice Hockey World Championships were held in Czechoslovakia several times and even turbulent times after Velvet Revolution did not influence hosting events into large extent in Czech lands. Indeed, as Getz (2005, p. 5) indicates, planned events existence is independent of political eras and belong to human beings nature.

Sports and sports events have been popular in the Czech Republic and such tradition can be a driven force and determinant for professionalizing the industry and finding a better spot on European / international level through a strategic concept of event policy. The effort has been already started as the city of Prague together with Czech government has considered the candidature for hosting the Games in 2016/2020. Nevertheless, this step is deemed rather as a gesture than strategic intention nowadays.

The main barrier of implementing a new sports event policy in the Czech Republic is rising from the structure of current sports environment. A legacy of sports system that was extremely centralized is given and all efforts to change actual decentralized jungle can be deemed as over-bureaucratization of the environment at the expenses of freedom. Nevertheless, Sazka bankruptcy as a wake-up call for apathetic sports environment caused the change in board of Czech Sports Association and appeals to other changes and along with

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38 or a national trigger in context with Emery’s (2009, p. 165) evolution of the major sports event management industry
budget-saving politics, one could expect that inefficient procedures and rules will be revised in order to higher performance achievement. Hence, the best time for change is in upcoming months. Although it is government and parliament that submit new rules and laws it is up to sports organizations and clubs to manage their activities and suggest a new legal framework for financing sports (sports events). After years of passivity, proactive engagement and accountability of sports organization is stumbling block for setting new sports and event policies.

Czech sport policy constraints on regional level has been already discussed as the study by Numerato (2009) pointed out structural and cognitive barriers as well as types of public support and strategies of sports organization to fundraise their budgets. Similar outcomes can be found also within sports events policy framework on national level. An example of structural constraints - bureaucratisation can be found as Ministry of Education, Youth and Sports does not cooperate with CzechTourism to leverage major sports events outcomes. Although the rules of sport events subsidies on state level are standardized and clear, politicisation, i.e. structural constraint, is a matter of fact as there is a limited number of sports organizations (event organizers) that are heavily supported from the state budget at the expenses of other sports events, ad-hoc planning is preferred rather than strategy and lobbyism feature is also presented as private companies (e.g. TK plus a.s. as an event organizer of Unicredit Open – tennis event) are supported by governmental subsidies even though it is inconsistent with the rules of provided support. As long as the Czech Republic will pursue for hosting major and mega sports events (i.e. Olympics) some sports can be further discriminated to obtain enough state support to host future events since they are not on list of Olympic sports (e.g. cyclocross). Also last two structural constraints: an unwillingness to use evidence in policy-making process and lack of interaction, are obvious, as sports event policy have not been revised after a great failure in organizing of FIS Nordic World Championship in Liberec in 2009. Such failures even strengthen all cognitive constraints: low recognition of sport and negative public image of public administration as well as lack of knowledge and information. Governmental as well as international sports governing body (FIS) failure is obvious and apart of economic loss harmed goodwill of future major sports events in general.
Despite of the success of several major sports events, a lack of skilled professionals and volunteers might be a problem for the Czech Republic as those, who are capable to implement a new event policy might to relocate to more prosperous business sector.

Norwegian self-view as hospitable country and reliable host with available facilities and large base of volunteers can be impeached. However, the evidence is clear – Norway has already hosted Olympic Games twice, FIS Nordic World Championships five times and many other major sports event as well. Therefore, tradition and proficiency are determinants of suggested event policy that is going to be implemented in following years. An outcome of such phase is dependent upon several variables, both external trends – e.g. globalisation and commercialization and internal factors, e.g. extent of all stakeholders participation in discussion process regarding a new strategy.
6. Annexes

Annex 6.1: A map of the Czech Republic Regions (Government of the Czech Republic 2009)

Annex 6.2: A map of the largest cities in Norway (Worldatlas 2012)
# Annex 6.3: Potential number of sport event visitors (Innovation Norway 2011, p. 18)

<table>
<thead>
<tr>
<th>Sport</th>
<th>Average visitors per event per day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motorsport</td>
<td>182,333</td>
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<tr>
<td>Bicycling</td>
<td>77,000</td>
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<tr>
<td>Football (Soccer)</td>
<td>65,763</td>
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<td>Golf</td>
<td>50,200</td>
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<td>Dressage</td>
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<td>Rugby</td>
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<td>Baseball</td>
<td>26,778</td>
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<td>Athletics</td>
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<td>Basketball</td>
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<td>Surfing</td>
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<td>Ski / Snowboard</td>
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<td>Triathlon and duathlon</td>
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<td>Gymnastics</td>
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