The 2008 Olympic Games
Leveraging a “Best Ever” Games to Benefit Beijing

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Abstract
This paper undertakes a leverage analysis of mega-events in the context of the 2008 Beijing Olympic Games. A leverage analysis apparently different from an impact analysis; it focuses on how to maximize the potential positive impacts and minimize the negative impacts for an event that will be held in the future. To analyze the circumstance of the Beijing Olympics that are amendable to leveraging, the research methodology employed is empirical with method of semi-structured in-depth interviews with the government officials, tourism industry people and the local community members in Beijing. This research conducted a leveraging analysis from three perspectives: environmental, socio-cultural, and tourism/economic perspectives. From each perspective, four angles would be investigated: identifying the potential impacts of 2008 Olympics; determining the leveraging activities for the potential impacts; uncovering the opportunities for leveraging the potential impacts, and exploring the challenges in leveraging the potential impacts. Because there is not any existing theory on a leverage analysis in the context of Beijing Olympic Games, this research was conducted with the guidance of “grounded theory”. The research indicated that the government aims to take use of the opportunity of hosting the “Green Olympics” to reap the ambition of making Beijing into a “greener” city, but how long would the policies last when the games are over is essential for the effectiveness. Similarly, the socio-culture would be leveraged by implementing the “People’s Olympic” theme. Finally, the tourism in Beijing would be leveraged by a series of leveraging activities derived from the Olympic Games. The findings of this research will contribute to the event studies and the leveraging studies.

Keywords: Beijing Olympic Games, Tourism, Leveraging analysis

1. Introduction
On 13 July 2001, Beijing’s application convinced the members of the 112th International Olympic Committee (IOC) Session held in Moscow, and won the right to host the Summer Games of the XXIX Olympiad in 2008. Upon hearing the news, the entire capital and, indeed, the whole of China was permeated with a festival atmosphere. Many, in a jubilant mood, spontaneously celebrated the Olympic triumph. Obviously, the passing of six years has done nothing to dim their memories of that exciting moment. But why were they so excited about Beijing’s successful bid to host the 2008 Summer Olympic Games? Besides the significance this event has in terms of world peace and friendship, will the hosting of the Olympic Games bring any practical or tangible benefits to Beijing and its local community? How can these benefits be leveraged? What are the challenges and opportunities in leveraging? This research intends to answer these questions.

1.1 The 2008 Olympic Games
The votes were presumably cast in line with the recommendation of the IOC Evaluation Commission that “a Beijing Games would leave a unique legacy (as distinct from sport stadiums and gold medals) to China and to sports”. The Commission made it clear that members had confidence that Beijing could organize “an excellent Games” (Olympics 2005). Anticipating the Games to be a positive showcase of a rising China, in both economic and political terms, the 2008 Olympic Games’ organizers upgraded the expectations of the IOC Evaluation Commission from an “excellent” to the “best ever” Games (BOCOG 2003: p2). It was to be further specified as a “green Olympics”, a “people's Olympics” and a “hi-tech Olympics” (Blair 2003), which would be the three themes of the 2008 Olympic Games (BOCOG 2003: p1)

1.1.1 BOCOG
On December 13th, 2001, five months after the successful bid, the Beijing Organizing Committee for the Games of the 29th Olympiad (BOCOG) was established (Beijing-2008 2001). The Committee consists of 15 departments, looking
after everything from venue planning to environmental management. BOCOG is expected to gradually expand its departments and staff in line with the demands of the Olympic preparations. By the year 2008, there will be more than 30 departments and 4,000 staff under BOCOG umbrella. The officials and staff in BOCOG include: officials from the Beijing Municipal Government; officials from the State General Administration of Sports; the Central Committee of the Communist Party and the State Council; officials form the China Committee of Olympic Affairs, delegates of athletes, representatives from educational and cultural circles, entrepreneurs, and noted public figures. They are supposed to be specialized enough to deal with every aspect of the Games. BOCOG thus oversees all the preparation work for the Games, from policy making to every logistical detail.

1.1.2 Beijing 2008 Olympic Games

BOCOG has made it clear that the “best-ever Olympic Games in history” will be evaluated along three themes: “green”, “people’s” and “hi-tech” (BOCOG 2003: p1). The definitions of the three terms are therefore important for the process leading to the “best-ever” goal and the assessment of the final results. According to the Action Plan (BOCOG 2003: p2), to achieve a “Green Olympics”, efforts will be devoted to three areas of work. Firstly, priority will be given to environmental protection (EP) in the planning, designing and construction of the Olympic venues and facilities. In this regard strict ecological standards and systematic supporting mechanisms will be established. Secondly, EP technologies and EP means will be extensively used in waste treatment, forestation and beautification of urban and rural areas. Finally, investment in public education will be increased to raise the environmental awareness of the general population and encourage the public to adjust their life styles to less wasteful consumption and to actively join in programs aimed at improving the environment. In line with the “Green Olympics”, the “Hi-tech” part is defined as incorporating the most up-to-date national and international scientific and technological innovations in creating an ecologically- and sports-friendly environment for the Games (BOCOG 2003: p1).

With regard to the “People’s Olympics”, BOCOG (2003: p1) wants to use the Games as an opportunity to popularize the Olympic spirit, promote traditional Chinese culture, and showcase the history and development of Beijing as well as the friendliness and hospitality of its citizens. The Beijing Olympic Games is also expected to support China’s claim that its rise is peaceful, and demonstrate this to a crowd that represents most countries in the world. Yet, the needs of the athletes and their demand for favorable natural and cultural environments and quality services will always be the first priority. In order to stage the “best ever” Olympic Games, BOCOG also encourages the widest participation of Beijing residents in the preparation for the Games. The Committee is especially keen to involve the younger generation, through sponsoring various cultural and educational programs that appeal to youngsters’ tastes.

Beyond the short-term goal of running a successful Olympic Games, Beijing also wants to reap long-term benefits in terms of improving its dreadful environmental situation, in showcasing its hi-tech achievements and innovative capacity, in promoting pubic participation in sports, and in enhancing social cohesion. Yet, how do they reach the goals and leverage the benefits?

1.1.3 Leverage

The words “leverage” and “leveraging” are in the title, the research questions and the objectives of this research. They are also the essence of this research. The dictionary definition of “leverage” is “increased power from accomplishing some purpose” or “conditional power” (Oxford 1997: p854). In its most common sense, “leveraging” is an investment term defined as “the process through which the benefits of investments are maximized” (Boulton et al 2000: p29; Slywotzky & Shapiro 1993: 97). Chalip (2001: p80) seems to have been the first person to apply this term to sports events and says, “leveraging divides into those activities that need to be undertaken around the event itself, and those which seek to maximize the long-term benefits from events”. In this paper, the operational definition of “leveraging” is “the activities that need to be undertaken to maximize the environmental, socio-cultural, and tourism potential tourism benefits, and to minimize any potential negative benefits from the Olympic Games”. Moreover, “leverage” refers to “the enhanced reputation of Beijing from hosting the Olympics Games”. In this research, there are three parties related to leverage: “leverager” — who conducts the leverage; “leveraging activities” — what the “leveragers” do; “leveragees” — who responds to the “leverage activities”.

1.2 General background of Beijing

In this section, the background of Beijing will be introduced in order to set up the research context. This will include four perspectives, namely, the environmental situation, the socio-cultural environment, the tourism situation, and the political environment. The aim of this section is to provide the general context of Beijing in relation to the analysis in the following sections.

The environmental outlook for Beijing is not optimistic, even though efforts have been made in recent years to make Beijing “greener”. From the water supply perspective, Beijing is among the driest cities in the world. From the energy supply perspective, although a change in the energy structure is in progress, “China is still dependent on coal” (Hewitt 2000), with 75% of its energy from that source. From the air pollution perspective, Beijing is ranked among
the most polluted capitals in the world (Hewitt 2000). To put it bluntly, Beijing is a city with a poor environmental reputation. However, it has been improved to some extent in recent years.

Beijing's population will hit 15 million (CRI 2004) in 2008, and the scale of infrastructure construction will be expanded in the coming years. The majority of the city's population is from the Han ethnic group (btmbeijing 2004), therefore, the regional pride in Beijing is very strong. Beijing's traffic system has a poor reputation, especially during rush hour. However, Beijing has a reasonably stable social order, a reliable fire fighting system, and reasonably safe medical and health structures, especially after SARS (BOCOG 2003). As for history, Beijing has been a city more than three thousand years—since the Shang Dynasty and has been the capital of China since the Ming Dynasty, 700 years ago. Therefore, Beijing has a rich cultural heritage, with such sites as the Great Wall, and the Forbidden City (BJTA 2005).

The tourism industry is an important part of Beijing’s economy. As is reported on the Beijing Satiation Information Net (BJSTATS 2002), since 2001, 2,860,000 international tourists and 100 million domestic tourists has visited the capital every year. The tourism industry generates an income of 1,133 million RMB, or 140 million US dollars. After SARS in 2003, from 2004, tourist number increased dramatically compared with the same period in 2003, with a 71.2% increase in domestic tourists and a 66.9% increase in international tourists (BJTA 2005)

China has been undergoing the transition from a centrally-planned economy to a market economy (Chen 2004). In the centrally-planned economic system, the government has comprehensive power to control every facet of the economy. In the new market economy, the government should not directly interfere with economic activities, but guide them with policies, laws and regulations. In the transitional stage, the Chinese government has given up much of the day-to-day administration of economic and commercial operations. Yet China’s is not yet a market economy, and therefore the government still has considerable influence over resource mobilization and allocation (Qu & Ennew, 2004).

1.3 Overview of the literature

This research focuses on special events. A special event, as Jago and Shaw (1998: p21) proposed, is “a one-time or frequently occurring event of limited duration that provides the consumer with a leisure and social opportunity beyond everyday experience”. The emergence of research on special events began with the study of sports tourism. In 1966, Athony wrote a paper entitled “Sports and Tourism” for the Central Council of the Physical Recreation in the UK (Athony 1966). Reviewing the role sports played in holiday tourism; it appears to be one of the earliest works on the link between sports and tourism and is an important landmark in the development of the study of sports tourism. Special events, including sports events, are increasingly seen as unique tourist attractions and as destination image-makers.

The term “event tourism”, formalizing the link between events and tourism, was coined in the 1980s (Getz 1997). Event tourism, which is not a recent phenomenon, has been defined as “the systematic planning, development of festival and special events as tourist attractions, catalyst and image builders” (Getz & Wicks 1993: p1). To date, most of the research associated with special events has focused on events’ economic impacts, because, as Mules (1998: p25) indicates, the fact that “many events require assistance from government in order to be staged, and justification for assistance is often required in economic terms”. Unfortunately, the majority of them have a short-term focus on the impact of staging events, rather than a longer-term focus on their capacity to raise awareness of a region for future tourism (Mules & Faulkner 1996).

Given that a vast number of works in the literature have been written on the positive, and usually economic, impacts of sporting events (e.g. Mihalic & Simonetta 1999; Ritchie 1984; Syme et al 1989), a surprisingly small amount of research has paid attention to the overall impacts of events (Hall 1997). The impacts of previous Olympic Games on host cities have been explored by a number of researchers (e.g. Burgan & Mules 1992; Daniels et al 2004; Jones 2001). In general, impacts can be grouped into three categories: economic (e.g. Kasimati 2003); socio-cultural (e.g. Fredline & Faulkner 2000); and environmental (e.g. Kearins & Pavlovich 2002). Tourism impacts are often included in the analyses of economic impacts (e.g. Burgan & Mules 1992).

Current host cities estimate potential impacts from the experience of previous host cities of Olympic Games. Events sometimes fail to reach the anticipated scope or magnitude of impacts (Chalip 2004). Some authors have been concerned about the ways that economic impacts of events can be enhanced (Browns, 2000; Chalip & Leyns, 2002). Chalip (2001) went further and developed an “event leverage model”, aimed at to using “leveraging” to conceptualize “those activities that need to be undertaken around the event itself, and those which seek to maximize the long-term benefits from events”. His model, however, still focuses on economic benefits.

1.4 Problem statement

There is a general belief that hosting mega-events, such as the Olympic Games, could bring a variety of benefits to the host city (Burgan & Mules 1992; Daniels et al 2004; Mihalic & Simonetta 1999; Ritchie 1984; Syme et al 1989). Most of the published research is about the measurement to evaluate the economic benefits (Hall 1997). There are
some papers about how to maximize these economic benefits (e.g. Chalip 2001), for example the “leverage model” mentioned above. However, there seem to be gaps in the research on how to leverage socio-cultural and environmental benefits, and how to maximize opportunities and meet the challenges in leveraging the benefits. This research, in the context of the Beijing 2008 Olympic Games, aims to bridge these gaps. In other words, this research is designed to answer the question “what are the major opportunities and challenges in leveraging the potential impacts of hosting the Olympics in Beijing?”

As discussed earlier, the leveraged benefits are said to be three-fold, i.e. environmental, socio-cultural and economic. Because of the obvious importance of tourism, its benefits will be used as the main indicator of economic benefits in this research. The conceptual framework developed for this study is shown in Figure 1.

According to the conceptual framework, the 2008 Olympic Games themselves are the “leveragable resources” (Chalip 2004: p80) that could be used to leverage the benefits for Beijing. The leveraging components consist of leveraging activities and opportunities and challenges around the leveraging activities. The benefits leveraged by hosting the 2008 Olympic Games, will be analyzed from environmental, the socio-cultural, and tourism perspectives.

Accordingly, the specific objectives of this research are:

From the environmental perspective:

a. to identify the potential impacts on Beijing to be leveraged by the Olympic Games;

b. to determine the leveraging activities for the potential environmental impacts;

c. to find out the opportunities for leveraging the potential environmental impacts;

d. to explore the challenges in leveraging the potential environmental impacts;

From the socio-cultural perspective:

a. to identify the potential socio-cultural impacts on Beijing to be leveraged by hosting the Olympic Games;

b. to determine the leveraging activities for the potential socio-cultural impacts;

c. to find opportunities for leveraging the potential socio-cultural impacts;

d. to explore the challenges in leveraging the potential socio-cultural impacts;

From the tourism/economic perspective:

a. to identify the potential tourism/economic impacts on Beijing to be leveraged by hosting the Olympic Games;

b. to determine the leveraging activities for the potential tourism/economic impacts;

c. to find opportunities for leveraging the potential tourism/economic impacts;

d. to explore the challenges in leveraging the potential tourism/economic impacts.

In integrating these objectives, Figure 2 — a leveraging matrix —, aims to show what will be discussed in this research. There are three rows and four columns in this matrix. The rows, “Environmental”, “Socio-cultural”, and “Tourism”, indicate the three perspectives of how hosting the 2008 Olympic Games will benefit Beijing i.e. environmental, the socio-cultural and the tourism perspectives. In analyzing each perspective, four parts will be considered: the potential impacts to be leveraged; the leveraging activities necessary for this; and the opportunities and challenges involved in leveraging the potential impacts. Through such analysis, the cells in Figure 2 will be filled. The practical analysis process occurs step by step; that is, the second column is filled based on the result of the first column, the third column is filled based on the second column, etc. In analyzing each of the three perspectives, the sequence will proceed as follows: first of all, the potential impacts will be identified based on previous research; secondly, the leveraging activities will be based on how to best leverage the potential benefits; and finally, the opportunities and the challenges behind the leveraging activities will be explored.

1.5 Methodology

This research belongs to the empirical paradigm. The analysis will be a “theory testing” process, intended to ascertain whether Western theories and analytical models suit the Beijing context. The data for the empirical study were collected through semi-structured interviews conducted in Beijing in 2005. The interviewees came from government agencies (including the Beijing Municipal Government, the Beijing Tourism Administration, BOCOG, and the Beijing Municipal Environment Protection Bureau), the tourism industry (hotels, travel agencies, shops, attractions, and food providers), and the local community (taxi drivers and residents in the neighborhoods close to the designated Olympic venues).

The interview process was snowball sampling. Specifically, the interview question design was an ongoing process. I first tried my interview questions with a sample group in the tourism industry and local communities. After analyzing their responses, I revised some of the questions and worked out different approaches to accommodate different
The data analysis includes four steps in order to achieve the objectives outlined above and to fill in the cells in the leveraging matrix. The first step is to identify the potential impacts for Beijing in hosting the Olympic Games. The next three focus on determining the “leveraging activities” for realizing the benefits, and the opportunities and challenges involved in carrying them through.

2. Data analysis

2.1 Introduction

In order to meet the research objectives, relevant Western theories and background information about the Beijing 2008 Olympic Games have thus far been summarized. Beijing appears determined to host “best-ever” Olympic Games. Here, the meaning of the “best-ever” is a key issue. As mentioned in the earlier section, the Action Plan jointly proposed by BOCOG and the Beijing government in 2002 defines the “best ever” as to mean “Green”, “Hi-tech” and the “People’s” Olympics. Whether these are adequate for Beijing to claim that the 2008 event is the “best ever”, they are significant indicators of successful Games. But how are the themes to be implemented? What are their potential positive impacts on Beijing? These questions will be investigated in this section following the sequence shown in the columns of the matrix in Figure 2.1. Compared with Figure 2, the cells in the matrix have been filled in the Figure 2.1. Trying to fill these cells is the job of this data analysis section. Accordingly, the first part of this section will focus on whether Beijing organizers are prepared to leverage the impacts, i.e., realize the positive ones and avoid the negative ones. The impact analysis theories will provide a conceptual guide. The next part will focus on the analysis of officially promoted leveraging activities, the leveragers and the leveragees. The section will then proceed to discuss opportunities for reaping the anticipated benefits for Beijing from hosting the event.

Finally, major challenges in carrying out the leveraging activities will be explored in line with the unique characteristics of Beijing and China. This analysis will be based on field data gathered in the context of the 2008 Beijing Olympic Games.

2.2 Leveraging indicators

In order to answer the question “What are the challenges and opportunities in leveraging the Olympics for the benefit of Beijing?”, we may have to first find the answer to “What will be the major potential impacts on Beijing of hosting the 2008 Olympic Games?”. The investigation process will involve analyzing both the secondary data on background and the primary data collected from interviews done in Beijing in 2005. The impacts will be divided into (1) environmental, (2) socio-cultural, and (3) tourism (representing economic). The potential impacts will be conceptualized as leveraging indicators. For the positive impacts, the goal of “leveraging” is to maximize them, and for the negative ones, to avoid them. In identifying the impacts, the western theories studied will be applied, if suitable, as to their suitability to the Beijing context by using the interview data and published secondary data collected for this research.

2.2.1 Environmental impacts

Western literature on the environmental impacts of hosting mega-events seems to present a pessimistic picture. There are three commonly identified negative impacts regarding the environment, the facilities, and the host city. “Leveraging” in this context means to avoid them. The data collected for this research indicate that the Beijing organizers are aware of them and have issued policies and taken action to minimize these impacts.

One frequently discussed problem is that games-induced facilities and infrastructure may degrade the natural environment surrounding the host cities. In this regard, BOCOG has likely initiated the concept of “Green Olympics” in order to eliminate, or at least minimize, the potential for serious negative environmental impacts. In other words, the Action Plan covers environmental and ecological concerns in the planning, design and construction of the venues and facilities. The plan also implies the organizers’ awareness of the problems and their endeavor to embed protection measures into every link of the hardware development process. But the interviews done in the neighborhoods in areas close to the Games venues reveal that they have been negatively affected—in terms of elevated noise and dust levels—by construction work on the venues. Most of these interviewees, however, emphasized that they understood that the inconvenience would be temporary and that efforts were being made to improve the sound- and dust-proof seals of the constructional sites.

Another potential negative impact to Beijing, as shown in the literature on other Olympics, concerns the long-term value of the games-induced facilities and infrastructure. It remains an issue whether a one-off event can bring post-games benefits. Beijing faces the same challenge. Both BOCOG documents and interviews reveal that the matter of post-Games utility has been on the minds of many in the city. The interviewees from travel agencies, for example, were all enthusiastic about including major Olympics venues into their tour itineraries. Based on their
positive experiences after the Asian Games Village since 1990 when the event was held in Beijing, they were confident that the Olympics venues would attract more public interest in the domestic tourism market. The Beijing Tourism Administration officials interviewed also avowed that the venues and facilities would continue serving the needs of major international, national and municipal sports events. They further visualized using some venues for concerts and exhibitions and using others as convention centers. Similarly, the surrounding neighborhoods had plans for using the gardens outside the stadiums as grounds for public exercise programs and community social gatherings. The "post-Games" usage of the venues therefore does not seem much of an issue in the Beijing context.

Hosting a major international event like the Olympic Games will undoubtedly impact on the city in question. By putting forward the "Green Olympics" concept, the Beijing organizers apparently intend to take advantage of the popular appeal of the event to increase the public awareness of the environment, conservation and energy/resource efficiency. Residents in Beijing have responded positively to the government scheme. The tourism operators in travel agencies, hotels, shopping destinations and sightseeing attractions who were interviewed all believe that the "Green Olympics" policies, if enforced, will make Beijing a "greener" city. A more pleasant environment will add a great deal to the cultural attraction base. Considering the population size and the domino effect of the capital on other cities in China, they think a successful "Green Olympic Games" will have an enormous positive impact on the Mother Country. This inviting potential has many in local communities feeling concerned above whether the "Green Olympics" policies will last and how they will be implemented.

2.2.2 Socio-cultural impacts

The Action Plan developed by BOCOG and the Beijing government defines the social-cultural environment that should be developed for and through hosting the Games as including "security, health care and sanitation", "legal environment development", and "public participation". All the interviewees from the three groups in this research noted that a successful "Green Olympics" scheme would improve the health care situation in Beijing and reduce, in particular, the number of cases when an epidemic hits (e.g. SARS). A BOCOG officer who was interviewed, emphasized a positive correlation between increased public environmental awareness and improved public health.

Traffic, while not listed in the Action Plan, is considered by many interviewees as a part of the social environment. They think it should receive as much attention as health care. As mentioned in the previous section, improvement in traffic management on Beijing roads is a primary task of hosting a "Green Olympics". While road construction to solve traffic congestion is still on-going, interviewees from one neighborhood have already begun taking advantage of new roads built for the venues to be set up there. Many were, however, not optimistic that the "Green" and "Hi-tech" Olympics would eventually solve traffic problems once and for all. One interviewee from the food provider industry illustrated this opinion by saying that "if the three themes set for the 2008 Olympic Games are realized and traffic in Beijing is improved, more tourists will be attracted to Beijing. More people mean more vehicles and traffic congestion again". They admitted, however, that they could not think of a better solution.

Among the anticipated socio-cultural impacts of hosting the Games, increased national or regional pride is recognized by many studies in the literature (e.g. Burns et al 1986) and those interviewed for this research also saw it as a positive factor. This was illustrated in the stories told by the interviewees about their reactions when they heard that Beijing had won the bid on 13th July 2001. One interviewee from a travel agency described at length how happy she had been before. In line with the findings in the literature on sports events like the Olympic Games improving the infrastructure of host cities (e.g. Humphreys & Plummer 1993; Horne 2000), the interviewees were in general pleased that Sports Administration at the city, district and neighborhood levels had been putting up facilities in residential areas to meet the needs of popular exercise.

Another positive social-cultural impact is a wider participation in sports (Crockett 1994). Indeed, in line with the theme of the "People's Olympics", many nationwide, citywide, community- and institution-sponsored sports events have been or are planned to be held to encourage popular participation in physical exercises. Some interviewees from local communities and the tourism industry, for example, mentioned that many people they knew were encouraged by the fact that Beijing would host the Olympic Games and exercised more regularly now. They noted that bodybuilding, long-distance running, or ping-pong, badminton, basketball, taichi and social/folk dances were more popular than before. In line with the findings in the literature on sports events like the Olympic Games improving the infrastructure of host cities (e.g. Humphreys & Plummer 1993; Horne 2000), the interviewees were in general pleased that Sports Administration at the city, district and neighborhood levels had been putting up facilities in residential areas to meet the needs of popular exercise.

2.2.3 Economic/tourism impacts

According to the literature on the links between the Olympic Games and tourism, there are five positive and two negative impacts. The positive ones include (1) games-induced travel, (2) stimulus tourism through infrastructure improvement, (3) destination promotion, (4) convention and incentive market promotion, and (5) pre- and post-games
tour itineraries. The two obvious negative impacts are over crowding and the disruption of daily local life. In the following sections, these issues will be discussed in the Beijing context.

2.2.3.1 Positive Impacts

The Beijing Tourism Administration (BJTA) anticipates (Tang 2004) that by winning the bid for the Games and hosting it later, international tourist arrivals will go up by 7% to 8% each year from 2005 to 2008. The projected growth momentum is believed to continue at least until 2010, two years after the Games. BJTA further anticipates a 13% surge in the year 2008. In other words, during the Games (July – August 2008), Beijing expects to host 800,000 overseas tourists. Of these, 250,000 will be Games-induced. Besides overseas visitors, BJTA estimates that 550,000 domestic tourists will head to the capital during the Games. The domestic tourists will likely contribute RMB 122.5 billion (about $15.4) billion to Beijing’s tourism income that year. Additionally, 490,000 Beijing residents have been anticipated to take short trips around the city.

In order to accommodate this anticipated huge crowd, new hospitality facilities are being built and existing ones renovated throughout the city. BJTA has promised to have 800 star-ranked hotels and 130,000 guest rooms ready by the beginning of 2008. This translates into a seven percent increase of guest rooms per annum between 2002 and 2007. According to an official from the Beijing Municipal Government interviewed in early 2005, about 24 hotels and 10,000 rooms were under construction. By the year of 2007, that would bring the numbers of hotels and hotel rooms to 637 and 110,000 respectively. The same official was confident that the hotel capacity would by and large meet the demand of the peak period in 2008. In case the accommodation supply still falls short of demand, cities (e.g. Tianjin, Shijiazhuang) near the capital will be ready to make up the difference. Another interview from the hotel sector noted that in addition to hotels and other “hardware” facilities, the government and the tourism industry have also increased investment in improving the “software”, particularly the training of the existing staff and new recruits in tourism-related services.

The argument that Games-induced travel is a positive impact may be misleading. Anticipation of this phenomenon, for example, may lead to overdevelopment and therefore a waste of resources. The aforementioned official from the Beijing Municipal Government revealed that the average occupancy rate of three- to five-star hotels in Beijing was 65%, and was 45% for one-star hotels. He was concerned that the rhetoric about the growth in tourist numbers might fuel irrational and speculative investments in hotel development and worsen the excess capacity problem in the aftermath of the Games. To avoid the “profitless volume” problem in the hotel and hospitality sector, the BJTA, noted the same official, would thoroughly inventory the accommodation capacity of the city and provide interested developers with the information necessary for making informed or educated decisions about investments. Another potential problem related to the increasing number of tourists is the pressure on the environment. Yet the interviewees all maintained that the “Green Olympics” scheme should be able to address this issue.

It is commonly acknowledged that better infrastructure of a destination is conducive to the development of tourism in that region. According to a BOCOG official interviewed, the investment in new infrastructure for the Beijing Games will amount to 1.625 billion US dollars. The Beijing International Airport upgrade is already underway, which will increase both its capacity and efficiency. Other major construction projects include the principal stadium, related sports facilities and athletes’ accommodation. The central venues of the Games in North Beijing are expected by many in the tourism industry to be added to the list of tourist attractions in the city. These facilities will also strengthen Beijing’s position to bid for hosting other international sports events in the future. The marketing resources associated with these facilities will increase their visibility among potential visitors and add to the combined critical mass and value of the city as a preferred destination.

The “promotional effect” of the 2008 Olympic Games on Beijing as a tourist destination was a term mentioned most frequently by the interviewees in this research. Those from the tourism industry thought that being associated with the Games would enhance the reputation of Beijing internationally. This, in turn, would help attract more inbound arrivals to watch the event in 2008 and tour around Beijing. They further maintained that the well-organized Games, modern and environmentally-friendly facilities, good hospitality and tasty food should positively impress those who would come to watch or broadcast the Games. These visitors should then report back favorably on Beijing and their trips. Their descriptions and photos would thus serve the function of indirectly promoting Beijing.

The interviewees who manage tourist attractions such as the Great Wall could not emphasize enough the positive effect of promoting Beijing to each country attending the 2008 Olympic Games. They anticipated regular appearances of major attractions in Beijing in the advertisements, and hence increased knowledge of and curiosity about the city. The interviewees from Quanjude Peking Duck Restaurant and Liulichang, a shopping district for traditional cultural artifacts, thought that such a promotional effect was in the spirit of the “People’s Olympics” concept. They believed that the exposure of Beijing would generate more international attention and rekindle domestic interest in Chinese culture, arts and traditions.
The BJTA and Beijing government officials interviewed shared the optimistic expectations for the promotional effect of the Olympic Games. Yet they did not think that the Beijing organizers, the tourism industry and the public should take positive impacts of mega events for granted. They illustrated their caution with the recent Athens example, which did not result in a surge, but a decrease in international tourist arrivals in the 2004 Olympic year. For these officials, hosting the Olympic Games has provided Beijing with a golden opportunity to show off its ancient, but also vibrantly modern image. Yet to effectuate the opportunity, Beijing should have its own promotional strategies and appropriate leveraging policies and activities. Indeed, BJTA has begun enthusiastically promoting Beijing and the 2008 Games throughout the world since the city won the bid in 2001. It sponsored a grand song and dance show in Athens during the 2004 Games. It also developed a market promotion theme for each year up to 2008.

When asked about the specifics of the promotional effect of the Games, interviewees from the hotel sector emphasized developing the conference, exhibition and other incentive (MICE) markets. These interviewees and those from BJTA maintained that the media exposure of Beijing would likely encourage more overseas organizations to choose star-rated hotels in Beijing as their function venues. They noted that quite a few hotels, such as Beijing Hotel and Beijing Crown Plaza Hotel, had already enjoyed a visible increase in conferences and other functions since 2001. Furthermore, they believed that press coverage of the Games should also give people the idea of using the hi-tech stadium or related facilities for non-sport functions. These interviewees understood that conventions, exhibitions and other functions would have a positive post-Games effect on other sectors of the tourism industry as well, including food providers, tourist attractions, and shopping destinations. The spill-over effect might also reach other cities in China through the dispersion of convention/incentive travelers by pre- and post-Games itineraries.

While there is little evidence from the Atlanta Games to suggest that pre- and post-Games tourist itineraries benefited other regions in the U.S., the Beijing organizers expect that the tourism impact of the 2008 Games will go beyond the host city and be more widely spread. Their main rationale is that China is a long-haul destination, and international travelers will be more inclined to maximize the return on their investment by seeking to include other parts of China in their itineraries. Conscious efforts have also been attached to promoting cities adjacent to Beijing. An interviewee from BJTA mentioned, for example, that most Olympics-related marketing campaigns included Tianjin, a seaport municipality 120 kilometers away from Beijing, and other attractions close to the capital. An interviewee from the Beijing Taihe Travel Agency thought the tourism industry had no problem with this promotion strategy and that it should make use of all opportunities occasioned by the hosting of the Olympics Games to promote tourism in North China with Beijing as the center.

2.2.3.2 Negative Impacts
The most commonly heard complaints in Beijing in relation to the 2008 Games focus on the potential problem of overcrowding. Both taxi drivers and members of the local neighborhoods interviewed; they were anxious about the potential that flocks of international and domestic visitors would flood the parks and other public places Beijing residents liked to frequent. Some of them stated that they had shied away from many famous destinations in Beijing for several years already because there were already too many tourists. That hundreds of thousands more people would gather in Beijing all at the same time had many taxi drivers worried about their income in June and July of 2008. They expected more traffic congestions in those months even with the road improvement. The more serious the congestion, the less money they will make. The interviewees living in the neighborhoods close to the Games venues expressed concerns about the potential disruption of their daily lives. Some anticipated that martial law would be declared around the venues for security concerns. That would likely interfere with the routines of their lives. They were contemplating plans for staying away from home or even leaving Beijing during the peak Games season.

2.3 Leveraging activities
Having recognized the potential impacts of hosting the Olympic Games on Beijing, the organizers and others who are involved have to next propose and carry through the leveraging activities needed to maximize the positive impacts and minimize the negative ones. In this section, major, officially proposed, and publicly initiated leveraging activities will be discussed from the same three perspectives, i.e., environment, socio-cultural and tourism.

2.3.1 Environmental activities
The “Green Olympics” is one of the three themes of the 2008 Beijing Olympic Games. Before this, environmental protection and improvement issues were central in the entire preparation process leading to the bidding presentations. To convince the IOC judges that Beijing was environmentally fit for hosting the 2008 Games, the Beijing and central governments promised to take measures so that the number of days when the air quality in Beijing met the international standard would exceed two-thirds of the year. One of the proposed measures was to upgrade the quality of the gasoline used in public transport and to increase the energy efficiency of most (more than 90%) public buses. Another measure was for the City to make public transport more convenient and efficient by increasing rail and rapid transit services and raising the average speed limit of the transit vehicles. All these measures were aimed at having the
vehicle exhaust index meet Euro III standard (Chen 2004). An engineer at the Beijing Municipal Environmental Protection Bureau noted during an interview that control of air, water, solid waste pollution, and ecosystem conservation would be central tasks in the seven-year (2001 – 2008) preparation period for the Games.

A BOCOG official interviewed stated that one important leveraging activity to make Beijing “greener” was the decision to relocate the Shougang Iron and Steel Group from Beijing to Tangshan in Hebei Province. According to him, many in the Beijing Municipal Government had mixed feelings about the move. On the one hand, the iron and steel giant was one of the most important contributors to the city’s tax revenues—approximately 35.8 million RMB a year—and was a major source of job opportunities (Xinhuanet 2006). On the other hand, it was also a major cause of pollution. But for a “greener” Beijing, the Municipal Government finally decided to let go of this “cash cow”. According to the relocation plan, the Group’s headquarters, R&D division and other non-production departments will remain in Beijing, and the rest will be moved out. The National Development and Reform Commission has carefully reviewed the plan and is satisfied with the detailed procedures listed for upgrading the production line and the technological process to avoid transferring environmental problems to another city.

Another leveraging activity for realizing the goal of running a “Green Olympics”, noted a BOCOG interviewee, has been to enhance the environmental awareness of society as a whole. Schools, public institutions, enterprises, professional associations, neighborhoods, the media are urged to promote environment-friendly life styles. Environment-conscious life styles are specified to mean “economizing on water use”, “economizing on power use”, “economizing on natural-resource use”, “recycling” and “cutting down cost”. Businesses and individuals are encouraged to use their creativity to minimize waste. Local residents have responded positively to the appeal for a “Green Olympics” and a “greener” Beijing. Many in the hotel and retail sectors, for example, agreed with the government directive to increase the in-door temperature by 1 °C so as to decrease air conditioners’ energy consumption. Many organizations now photocopy on both sides of the paper. Food providers have their own ways to be resource economical. More and more restaurants have given up the disposable chopsticks and replaced them with reusable, sterilized ones. Employees in these restaurants believe that the change may help save many trees. Many individuals also eagerly participate in the “economizing” campaigns and offer their tips on saving electricity and water on TV and the radio.

Building a Beijing Olympic Park is another major leveraging activity. Named the “Olympic Green”, the park will house key venues for the Games and athletes’ village. As introduced by a BOCOG interviewee, the planned area of the park covers 1,135 hectares, 680 of which will be for a “forestry park” and the remaining 405 hectares for the Olympic Center. The BJTA official interviewed described the Olympic Park, which will be located on the north-south central axis of Beijing, as the “lungs” of the city. He stated that the “Olympic Green” would not only serve the Games, but would also likely become an environmental legacy of the Olympics.

If the Beijing organizers are successful in delivering a “Green Olympic Games” through reducing pollution, better ecological conservation, more vigorous waste recycling programs and enhanced public environmental awareness, the 2008 really may become an Olympic legacy. Furthermore, the “Green Olympics” may serve as a catalyst for a more sustainable and balanced economic development in China. In carrying through these leveraging activities, the “leveragers” are mainly relevant government divisions (e.g. BJTA), which either initiate or appeal for activities conducive to a “Green Olympics”. The “leveragees” may be both the individual and the government. For example, government energy conservation policies or appeals are for the individual to act upon. But the government itself must also take actions to create an environment, which encourages the individual to do so. For projects such as improving the sewerage treatment or air quality, the government’s efforts will be essential.

2.3.2 Socio-cultural activities

In proposing the “People’s Olympics” concept, the Beijing organizers intend to use the 2008 Games as a window for the world to better understand China’s cultural heritage (Beijing-2008 2004a). Therefore, a series of high-profile cultural activities have been launched. The series was inaugurated with an eight-minute performance put on by 130 Chinese artists at the closing ceremony of the 2004 Athens Olympic Games. The director of the show, Zhang Yimou, who also directed the well-known Chinese film Red Sorghum, told reporters “The world gave me eight minutes and I would give the world a surprise….The show is mainly dancing and movements that everyone will be able to understand. My aim was to show the world that Chinese culture is also international” (Beijing-2008 2004b). During the Athens Games, the Beijing government also sponsored the “Emperor’s City – Beijing Cultural Relics Exhibition” in Greece’s National Art Gallery. Since then, Beijing has celebrated the second “Beijing 2008 Olympic Cultural Festival”, the “International Olympic Day”, the “International Teens’ Carnival”, the “World's Chinese Choruses Meeting under the Olympic Flag”, the “Beijing International Incentive Tourism Trade Fair”, and the “Planting Commemorative Evergreen Forest for Olympic Games” (BJTA 2004). All these activities have been open to the public, and the list will continue to grow in the years leading to the 2008 Games.
Another important purpose of promoting the “People’s Olympics” and putting on substantial cultural activities, is to revive the interest of the average Chinese, especially among the younger generation, in China’s time-honored culture and traditions. Many interviewees were concerned that with the opening up of China, more and more Chinese traditions and modes of artistic expression were losing ground to Western cultural practices. The interviewees from the shops that sell Olympics souvenirs all commended BOCOG’s effort to involve the public in designing the emblem and the mascots of the 2008 Games. They thought that the process of publicly seeking and evaluating designs not only verified the “People’s Olympics” concept, but also inspired many Chinese to rediscover Chinese history, traditions and culture, and their national pride. Echoing the Zhang Yimou’s comment mentioned above, the interviewee from Liulichang, a shopping district specializing in cultural artifacts, stated that the Olympics-related cultural activities would also help to show the Chinese that Chinese and Western cultures were not necessarily in conflict with one another, but share mutual, complementary interests.

Since the public concerns over the potential negative social impacts of Beijing hosting the Olympic Games focuses on overcrowding and traffic jams, new roads are being constructed and existing ones upgraded. The interviewees from the Beijing Municipal Government and BOCOG emphasized that building roads enjoyed solid public support in China. They all quoted a popular Chinese saying “If you want to become rich, you have to first build roads”. According to an official from the Beijing Municipal Government, a main reason for the severe traffic congestion in Beijing is that while the annual increase of purchased automobiles is 15%, the annual increase of roads is only 5%. In addition to building more roads, the Beijing government has also invested in modernizing the traffic management system and improving the safety, convenience and efficiency of the public transportation services. The immediate tasks, as stated by a BOCOG interviewee, include finishing the urban rail transportation network, building new expressways from Beijing to other cities in China, the urban street networks, the Beijing International Airport upgrade and expansion, building more public parking facilities, and unifying the names of new roads.

2.3.3 Tourism activities

According to the Action Plan (2003), the tourism industry will benefit most directly from the 2008 Olympics. The interviewee from BOCOG noted that the BJTA had already developed the Beijing Olympic Tourism Action Plan and begun putting it into action. The plan focuses on developing the image of “an Ancient Capital in the East and the Homeland of the Great Wall” as the visual attraction for the Olympic tours. The Plan attaches importance to the conservation of tourism sites, the development of tourism products and the expansion of tourism marketing. The Plan emphasizes industry-wide concerted efforts to make Beijing a first-class city in the world and the top tourism city in China. The Plan also calls for caution over the potential profit-less volume problem to ensure that the growth of tourism revenues is commensurate with the increase of tourist arrivals.

As indicated above, the Beijing Tourism Administration anticipates that hosting the Olympic Games will result in 7-8% more international visitors every year between 2005 and 2008, and 13% more in the year 2008. Responding to the increase, Beijing has been steadily building up its accommodation capacity. The interviewees from both BOCOG and BJTA advised that hotel rooms had been increasing by 7% annually. At this rate, there should not be much problem to accommodate the visitors who come for the 2008 Olympic Games. Moreover, seven hotels including the Beijing Hotel, the China World Hotel, the Grand Hotel Beijing, the Hong Kong Macau Center Swissotel, the Beijing International Hotel, the Kunlun Hotel and the Crown Plaza Park View Wuzhou Beijing, have all signed the Olympic Lodging Agreement with BOCOG to first serve the accommodation needs of the Games in 2008. According to the interviewee from BJTA, 800 other hotels in Beijing will be upgraded to meet the toughened environmental standards for the 2008 Beijing Olympic Games. Once the upgrade is done, they will save US$ 1.2 billion in energy consumption. Many of these hotels, as noted by an interviewee from the sector, have developed in-house training programs as well to improve the service quality of their employees.

As mentioned earlier, BJTA, by pushing for the concept of the “People’s Olympics”, hopes to use the Games as a lens for the world to view China’s historical heritage (Beijing-2008 2004a). In addition to the aforementioned series of high-profile cultural festivals and exhibitions, which were sponsored by various governmental cultural departments and aimed at promoting the knowledge of Chinese traditions and culture and of Beijing as a tourist destination and an attractive place for conferences, BJTA has organized its own functions, including the Beijing International Incentive Tourism Trade Fair, the International Teens’ Carnival, the “World’s Chinese Choruses Meeting under the Olympic Flag” and the “Planting the Commemorative Evergreen Forest for the Olympic Games”. Furthermore, BJTA made 2005 an official “pre-Olympic travel year” in preparation for 2008, with its theme focusing on Chinese culture. New scenic spots were opened to public, including part of Zhongnanhai next to the Imperial Palace, the Forbidden City, Zhongnanhai, which may be translated as the Central and Southern Seas, is also known as the Sea Palaces. It forms the southern precinct of a chain of lakes and a garden-palace complex in central Beijing. It has been the official residence of the central government of nearly all the regimes since the turn of the 20th Century. Since 1949 it has been home to the highest-ranking government officials including Mao Zedong, Deng Xiaoping and currently Hu Jintao and it
The relocation of the Shougang Iron and Steel Group is another example. The Beijing government had contemplated moving it for decades because of the environmental problems it caused the capital. Yet concerns about the tax revenue had made it put off making the final decision until it won the Olympic bid. Furthermore, hosting the Olympic Games has also given the city the ability to apply for financial support from the central government for the costly relocation of this huge enterprise complex. A third example given by the interviewee also concerns environmental protection. Beijing has had a poor reputation in terms of its environmental quality (BBC 2004a; Hewitt 2000). To improve it necessitates massive action and requires astronomical sums of money. Without a serious commitment to environmental protection, Beijing could not have won the bid let alone host the Games. The Beijing government has...
noticed that it is not very difficult to ask the central government and non-governmental organizations to dig deep into their pockets and help Beijing implement its environment policies.

2.4.2 The public response

Most people in China were genuinely thrilled to hear the news that Beijing had won the bid to host the 2008 Olympic Games. A BC (2004b) report hit the nail on the head when it said that “hosting the 2008 Olympics Games is a dream for all the 1.3 billion Chinese people”. It is thus not difficult to understand why the Chairmen of BOCOG had no qualms about declaring “We will set a record for the highest public involvement in Olympic history” and “In every step of the preparation especially the designs of the mascots and the slogan” (Zhang 2004).

Why has the public responded to the Olympics Games so positively and energetically? Literally all interviewees mentioned the national humiliation China felt, in the 19th Century, when referred to as the ‘sick man of East Asia” by Westerners. Because of that, they have emphasized, in China’s recent history, especially since 1949, that sports have never simply been a matter of individual hobbies or fame, but always related with building up peoples’ health and increasing national pride. The solid social base of sports, as noted by the interviewees, can be verified by the fact that international sports champions and medalists were often treated as national heroes and elected into senior Party or national administrative positions. Hosting a major international sports event is perhaps even more significant for many Chinese because they think it shows the world that China is no longer a “sick man” but a giant. Therefore, they not only pay close attention to how Chinese sportsmen perform, but also try to contribute to the success of the hosting.

One example mentioned in the interviews is that when Beijing hosted the Asian Games in 1990—the first major international sports event of the city—schools, institutions, businesses, enterprises and neighborhoods were advised by relevant government departments to “beautify” their premises and present the “best” image of Beijing. Some primary schools encouraged their students to bring flowers from home to build flowerbeds. In the end there were too many plants, and the unused ones were returned to their owners. Those students all felt bad and guilty that they had failed to contribute to the Asian Games.

The Beijing organizers of the 2008 event have full knowledge of the importance of sports in general, and the popular support for hosting the Olympic Games in particular. They understand that the public desire to do something for the Olympic Games is a resource of enormous potential, but satisfying the public may become a great challenge. Thus, the widely publicized Action Plan (BOCOG 2003: P3) includes measures for facilitating the public involvement. It reads:

“it is a common desire of the Chinese people to support and work for the Olympic Games. Their enthusiasm shall be well encouraged and protected. Events and activities centering on the Olympic Games will be planned and organized for them, in accordance with the related regulations in the IOC Host City Contract’’.

Many of the facilitating efforts have been centered on national sports and other campaigns for popular participation, such as the “national fitness campaign” and the “national tree-planting campaign”. A clear message, sent out through these campaigns, is that by participating in them, residents in Beijing are helping create an environment for hosting the “best-ever” Games, and people in other places are supporting the residents of Beijing to host the “best-ever Games”.

2.4.3 Opportunities for leveraging environmental activities

Many leveraging activities for achieving the goal of a “Green Olympics” involve projects that only the government has the power and resources to initiate and carry out. As mentioned earlier, China’s is a transitional economy in which the government still has the final say in many aspects of economic and social life. This works for the better of the Games-related environmental efforts. A typical example is the building of the Olympic Park, the “Olympic Green”, which is anticipated to become part of the environmental legacy of the 2008 Olympic Games. It will take up a large area in Beijing, whose land value has skyrocketed since the mid-1990s. The interviewee from the Beijing government revealed that such a large project could only be proposed in the first place because the Beijing government had set aside this piece of land decades ago for the Olympic Park. He noted that many developers had tried for years to persuade government officials to sell them the rights to use the land. (Land is state owned in China and cannot be sold). The government, however, had never considered their arguments or lucrative offers because it had never doubted that one day Beijing would host an Olympic Games.

To tackle the problems of increasing demand for private vehicles, decreasing energy resources and serious air pollution, China has been working on cleaner fuels for vehicles and alternative sources of power. The interviewees from the Beijing government believe that electric vehicles will likely become the most important means of transportation in the 21st century. They are aware that the technology of battery-powered and hybrid electric vehicles is reaching maturity in major Western countries. They admit that China lags the world’s pacesetters in the field of vehicles driven by internal combustion engines, by about twenty years in terms of the vehicle emission standard. But in the field of electric vehicles, they think that the gap is only 4-5 years. They hope that hosting the 2008 Olympic Games will also inspire China to leap frog the international competition in developing the most energy-efficient and environmentally friendly vehicles. The Ministry of Science and Technology and the Beijing government have set up a special fund for
“Science & Technology Olympics” to support innovative transportation and electric vehicle projects. Fuelled by the immense demand of the “Green” and “Hi-tech Olympics”, the R&D of environment-friendly vehicles has become a new hotspot for China's automobile industry. At present, there are more than 100 car makers and scientific research institutions working on environment-friendly vehicles in China. Guangzhou Suijing Bus Co., Ltd. has developed an LPG hybrid electric vehicle, with an exhaust index exceeding the Europe III standard. Its price/performance ratio also suits China's reality, and it is performing well in the Hong Kong and Japanese markets (Chen 2004). The company is confident that it can serve the environmental ambitions of the 2008 Olympics organizers.

2.4.4 Opportunities for socio-cultural activities

According to the Action Plan, the socio-cultural situation includes culture, security, health care and sanitation, legal environment, and public participation. As discussed earlier, the popular desire to contribute to the Games provides the organizers with an invaluable opportunity for carrying out the leveraging activities, which will reap the potential socio-cultural benefits, and avoid negative impacts. Besides the public enthusiasm, the rich and colorful cultural heritage has set up an excellent stage for the organizers to demonstrate their creativity in initiating and sponsoring socio-cultural activities to promote the 2008 Games and Beijing. The Great Wall, the Summer Palace, the acrobatic shows, the Peking Duck, and many other unique artistic expressions of the civilization of this ancient city provide a rich source for any promotional activities one can possibly imagine (Usembassy-china 2002). The recent incorporation of Western cultures has provided new opportunities to showcase Beijing as a vibrantly modern city.

2.4.5 Opportunities for tourism-related activities

Beijing has always been a tourist destination, not only because it is the capital city but also because of its rich cultural heritage. There are six UNESCO-endorsed world cultural heritage sites in Beijing. They are the Forbidden City, the Great Wall, the Ming Tombs, the Temple of Heaven, the Summer Palace and the Peking Man site. The tour operators interviewed noted that they were the main components of all travel itineraries for both overseas and domestic tourists, and that interest in them was not waning.

Since most tourist activities center on sightseeing out of doors, the air quality and the environmental situation have become issues in having a memorable trip. The quality of the physical environmental is therefore important for the tourism industry. The responses of the interviewees from the industry indicate that they are not satisfied with the current environmental situation. However, they do not think that this has become a barrier preventing tourists from visiting Beijing. According to them, Beijing is lucky for three reasons. First, tourists stay in Beijing only for a short period, and its environmental problems are not enough to create serious health issues. Second, most of Beijing's tourist attractions are known for their cultural values rather than their natural appearance. Finally, because Beijing does not have a good reputation for its environmental quality, tourists do not have high expectations. Many even find it better than that they anticipated or imagined. When they return home, they even manage to say something nice about Beijing's physical environment, which helps encourage more people to come to Beijing.

The interviewee from BJTA did not have this happy-go-lucky attitude. According to him, the Beijing government and BJTA are very serious about the environmental problems. For them, the environmental situation has an impact on the long-term development of the tourism industry. They think that Beijing’s natural environment is the “pillar bearer” of its splendid cultural heritage. Problems in the former will shake the foundation of the latter. If that happens, the tourism industry will be among the first to suffer the consequences.

2.5 Challenges for effective leveraging

Opportunities always come with challenges. While there are good opportunities for carrying out the leveraging activities for realizing the benefits of hosting the Olympic Games, it remains a question whether these activities will be effective. This section will focus on some immediate challenges faced by the government in running the show and other major challenges faced in leveraging the long-term benefits of the Games-related activities.

2.5.1 Challenges in the government playing the dominant role

The national government is in the best position to mobilize the resources necessary for running a mega event like the Olympic Games within the six or seven years that are usually allowed a host city. It is also true that only the government can afford to act out the belief that pride and image matter more than money. Yet when the government controls every facet of the show, there is the danger of irrational decisions being made. For example, the original design of a major stadium was overly splendid and would need about 136,000 tons of steel to build, four times the average for a conventional building. Some engineers argued against the unnecessary extravagance and the waste of resources. But at first their voices were too weak to be heard. They insisted and eventually convinced the governmental departments in charge to redesign the stadium. That change saved $336 million (China Daily 2004).

2.5.2 Challenges in achieving long-term effects of the leveraging activities

Perhaps few Chinese would challenge the BBC description of Beijing as one of the world's most polluted capitals (BBC 2004). The city is thus faced with daunting challenges in addressing its environmental and transportation problems.
Underlying them is the issue of population. Despite an array of controlling measures adopted by the Beijing government, the population of the city is still increasing. In 2008, the total population is expected to hit 15 million, including a floating population of 3 million. Correspondingly, the total transport volume (including passenger transport and freight) is also on the rise, and its growth rate outstrips that of the population. For example, the total number of vehicles is rising quickly. From 2003 to 2008, the number of taxis will climb from 60,000 to 80,000, that of buses from 12,000 to 18,000, and that of private and institution-owned cars will increase even faster. Such large quantities of vehicles are described by the interviewees from the local communities as a “dark snake”, consuming already scanty energy resources and aggravating environmental pollution.

Currently, the major problems facing Beijing include: the proliferation of private cars, aggravating traffic congestion; the building of parking lots lacks good planning and lagging behind demand; in some areas, like government agencies, hospitals, shopping centers and school entrances bottlenecks and traffic jams are being caused by the illegally parked cars. Meanwhile, issues such as low quality fuels, inadequate emission detection technology and limited financial support have made it difficult to implement the Euro III standard. The marketing of pure electric vehicles is constrained by storage battery technology. It is also difficult to popularize battery-powered electric vehicles quickly due to technology and price constraints.

The 2008 Olympics offer an excellent opportunity to resolve transportation and environmental issues in Beijing. According to the interviewee from the Beijing Environmental Protection Bureau (BJEPB), many experts have responded enthusiastically to the appeal by the Beijing government for the proposal of solutions. Their recommendations may be summarized as follows. First, a specialized agency should be set up to develop a strategy and a detailed plan for implementing the Euro III Standard. The agency should be made up of representatives from BJEPB, oil companies, public transportation corporations, the automobile industry association and car makers. Second, it is necessary to try hybrid electric technology in buses. R&D agencies and manufacturers should be invited to bid for the project. Third, it is essential to press ahead with the planning, technical standard setting and progress of parking lot construction.

While more roads, better vehicles and cleaner fuels may alleviate existing pressure on the environment, they may never catch up with the demands from the ever-expanding population and individual material desires. The interviewees from the tourism industry all agreed that while Beijing was too dusty most days of the year, and too noisy in the urban areas, the situation was getting better year by year. An interviewee from the Wangfujing Shopping Street, a major commercial district in central Beijing even became poetic when asked about the improvement and used the terms “blue sky” and “white cloud” to describe Beijing. Yet none of them seemed sure if Beijing would ever become a highly livable city in terms of its natural environment. The interviewees from the local communities held similar opinions about traffic congestion. They acknowledged the government efforts to improve roads and the public transportation system so as to run a good Games and not disturb the normal life of the locals too much. Yet they felt it was difficult to imagine that the improvement would be able to alleviate existing problems and at the same accommodating the demands of hundreds of thousands more visitors to the Games. Furthermore, while they had no doubt that security would be a problem during the Olympic Games, they did not think the event-related measures would have a long-term impact on the problem of rising criminal activities such as robberies. In fact, they expected more cases as the population increased.

Yet a greater challenge facing Beijing, and China for that matter, is the attitude that environmental and some social problems are part of the development package. The interviewee from BJEPB, for example, acknowledged that environmental problems were serious in Beijing. Yet he maintained that those problems should be viewed from a developmental perspective. In other words, “Every other nation, such as the United Kingdom and Japan, has experienced the ‘poor – underdeveloped – developed’ process accompanied by the environmentally ‘clean – somewhat polluted – seriously polluted – improved’ process. Beijing is going through similar developmental stages, and it is therefore almost natural for the city to have environmental problems in some phases”.

The attitude that environmental problems are unavoidable “tuition” for economic development was shared by many other interviewees. This perhaps is the biggest challenge facing Beijing’s effort to deal with its environmental problems.

A major challenge facing the tourism industry is that many visitors to the Games may be budget conscious and would like to have the option of staying in non-star ranked but safe, clean and conveniently-located facilities, such as youth hostels and backpackers. Yet developers in Beijing have paid little attention to this demand. The situation does not seem to have changed much in the accommodation planned and built for the 2008 Olympic Games. According to the BJTA interviewee, there will be only 16 youth hostels in Beijing. It is hard to imagine that this number will be able to satisfy the potential demand for this type of accommodation. Too many upper star-ranked hotels may also run into low occupancy problems after the Games. The Olympic sites will likely attract mainly domestic visitors who will come to
experience some of the glory. How many will be able to afford or willing to pay for expensive hotels is a question few interviewees addressed. But all the hotels are running training courses to improve their service and their staff’s foreign language proficiency. The interviewees noted that the entire city of Beijing seemed to feel the urge to learn English in order to “help overseas visitors feel at home”. How effective these efforts have been will only be known in 2008.

3. Key research findings

In Section 1, a leveraging matrix (Figure 2) is developed in accordance with the research objectives. The research goal was to fill in the cells with answers satisfying the objectives. The complete leveraging matrix was given in Figure 2.1. As indicated, there were three main groups of potential impacts on Beijing: environmental; socio-cultural; economic/tourism. Through the analysis of the collected primary and secondary data, the findings of the research on previous Games seem to suggest that their environmental impacts are, in general, negative. Nevertheless, actions, or “leveraging activities”, may still be taken to minimize these negative impacts and therefore produce a more positive result. The research data indicate that the Beijing organizers have been working towards this goal. The potential socio-cultural impacts include “increasing community pride”, “encouraging popular participation in sports for fitness” and “providing local residents with more advanced infrastructure”, and on the negative side, “disturbing the local people’s daily life”. For tourism, hosting the Olympic Games may significantly impact the industry in the city. The most often quoted examples include “games-induced travel”, “better infrastructure-induced travel”, “destination promotion”, “promoting conference and incentive markets” and “pre- and post- Games itineraries”, but “overcrowded”.

In Beijing’s case, the leveraging activities, together with the city’s unique cultural characteristics, add to the opportunities for reaping more benefits and experiencing fewer negative consequences. The research findings indicate that the current economic system in China should contribute to the leveraging efforts of the Beijing organizers. The transitional economy, in which the government still has a great deal of power in resource allocation, makes it possible for the organizers to muster what is needed (e.g. land, money) to attempt the “best-ever” Games. The government’s willingness to show the world, at almost any cost, China’s vigorous but “peaceful” rise through the window of the Olympics is compounded by dozens of policies which shine the “green light” to literally any Games-related activity. Moreover, the official effort to run a successful Olympics event has met with profound and widespread public support. All this has formed a close to ideal environment for the organizers to realize their ambition for the Olympics. The involvement of the state government and the enthusiastic public involvement provide common leveraging opportunities for all the three perspectives of the potential impacts, and for each of the perspectives, specific leveraging opportunities have been investigated. Taking the example of the environmental perspective, there are three other opportunities found here: (1) Beijing’s natural environment has been improving in recent years; (2) the implementation of the “Green Olympic” policies; (3) the construction of the “Olympic Green”. As for the socio-cultural perspective, the rich and colorful cultural heritage of Beijing and China provide an opportunity to reap the benefits. This heritage also provides opportunities form the economic/tourism perspective. Besides this, the increased tourists, and the reputation of Beijing as a sound tourist destination are other opportunities to leverage the potential tourism impacts.

However, opportunities always come with challenges. The government’s dominant position may result in it worrying too much about national pride and image and overlooking the long-term effects of their decisions. Transparency may be another problem. Environmental improvement and protection will require decades of effort, especially when the problem is as serious as Beijing’s. There are only two years to the opening of the 2008 Olympic Games. Whether the leveraging activities in this regard will improve the environmental and traffic situation remains to be seen. The challenges facing the tourism industry include the imbalance in types of the accommodation, the post-Games usage of the increased accommodation capacity, and the service quality, including the foreign language proficiency. Among these, the lack of variety in accommodation options may prove a serious problem for both the Games and the aftermath. The decades-long focus on star-rated hotels in Beijing, particularly four-star and five-star hotels, is at the expense of the development of budget accommodation, such as backpackers and youth hostels. The latter remain popular among international budget conscious travelers, who are not necessarily a minority, and are increasingly recognized by young domestic travelers.

3.1 Management implications

This research, aims to answer the question “What are the opportunities and challenges in leveraging the anticipated benefits of hosting the Olympics in Beijing?”. The answers have been listed out by discussing the collected secondary and primary data. However, there are some points, which have emerged during the analyzing process, which could be called “management implications” for Beijing and future host cities of mega-events.

3.1.1 “Government” or “no government”

The research findings reveal that the overwhelming role of the government in preparing for a mega-event like the Olympic Games is understandably significant, especially in a transitional economy like China’s. The support from
both the central and host city governments is essential in running a successful event. In that regard, the Atlanta Olympic Games serves as a negative example in which the governments did not get too involved, but left the preparation and staging of the Games to the private sector. That was believed by many to be the cause of the problems that occurred during the event in transportation, security, communication and accommodation (Zhong 2001). However, to what extent the government should be involved and how the government and the market should negotiate are important questions worth the attention of the Beijing organizers and the public. As has been discussed in this research, both the government and the market should play certain roles in hosting such large-scale events. Nevertheless, if the government is in the dominant role, the other aspects (e.g. money, human resource) may give way to the building of national pride, such as the “venue design” issue argued in this research. However, when the market is in a dominant position, profit would be the overwhelming focus, and there would be a danger of turning the events into pure “money makers”. To this extent, the government must negotiate with the market to guarantee the balance of every facet of the Games to ensure they go smoothly.

3.1.2 “Short-term” or “long-term”

The organizers of the 2008 Beijing Olympic Games intend for the event to also become a nationwide educational campaign. Their short-term objective is to get the public involved in the effort of hosting the “best-ever” Games. Their long-term goal is to enhance public environmental awareness so that Beijing residents will become more proactive in making the city oriented more towards sustainable and balanced development, and living a more eco-friendly life style. It is thus necessary for the government to turn more attention to the implementation phase of the policy/law-making process. Concerted and coordinated efforts are essential in putting into effect many good policies and laws. This is especially true of decisions with long-term impacts, such as those related to the environmental benefits. For a policy to be implemented, the government should pro-actively encourage the public participation in the policy process. For example, in organizing the “best-ever” Olympic Games, the participation of the tourism industry and the local communities is of crucial importance.

3.1.3 “Public” or “not public”

One characteristic of the Beijing Olympic Games is the enthusiastic public support and desire to do contribution for it. This has provided the government with an opportunity to push for policies or social behaviors that will have a long-term positive effect on society as a whole. A good example lies in the fact that the government has for years urged businesses and individuals to be more environmentally conscious in their work and daily lives. It has also adopted many compulsory rules. Yet the effect was not satisfactory until Beijing won the bid. There is an obvious public eagerness to present the best possible image of Beijing. According to the majority of the interviewees, Beijing residents have responded to the government’s ambition to organize a “Green Olympic Games” with unprecedented enthusiasm. It is up to the government to work out feasible measures to transfer these valuable, intangible resources into tangible public goods.

3.2 Conclusion

Hosting a “best-ever” Olympic Games is not simply a slogan to be mouthed, but also needs a comprehensive effort to turn it into a reality. As discussed above, hosting the 2008 Olympic Games is a job for the whole nation of the People’s Republic of China. Therefore, it is hoped that the efforts of 1.3 million people would be rewarded to host a “best-ever”, or, at least, a successful Olympic Games.

References


Department of Sport, recreation and tourism (1986). Economic Impact of the World Cup of Athletics Held in Canberra in October 1985. Canberra: Research and Development Section of the Department of Sport, Recreation and Tourism.


Figure 1. Conceptual framework

<table>
<thead>
<tr>
<th></th>
<th>Potential Impacts</th>
<th>Leveraging Activities</th>
<th>Opportunities</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Socio-Cultural</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Tourism/Economic</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Figure 2. The leveraging matrix
<table>
<thead>
<tr>
<th>Environment</th>
<th>Impacts</th>
<th>Leverage activities</th>
<th>Opportunities</th>
<th>Challenges</th>
</tr>
</thead>
</table>
|             | ● Potential degradation to natural environment  
|             | ● Long-term use of infrastructure and facilities  
|             | ● Impacts on the cities' and even the global environment  
|             | | ● Implementing “Green Olympics”  
|             | | ● Relocation  
|             | | ● Foster Environmental protection awareness  
|             | | ● Encourage public transport  
|             | | ● Water pollution control  
|             | | ● Ecological conservation  
|             | | ● Water recycling  
|             | | ● Long-term use and post use of the facilities  
|             | | ● Construction of “Olympic Green”  
|             | | ● Role of government  
|             | | ● Public response  
|             | | ● Environmental situation getting better  
|             | | ● Implementing “Green Olympics”  
|             | | ● Government prepares to construct “Olympic Green”  
|             | | ● Role of government  
|             | | ● Large population  
|             | | ● Transportation volume  |
| Socio-cultural | ● Increased community pride  
|             | ● Wider participation in sports  
|             | ● Advanced infrastructure  | | Role of government  
|             | | ● Launch high-profile Cultural Activities  
|             | | ● Tourism Trade Fair  
|             | | ● International teen’s Carnival  
|             | | ● Expose Chinese Cultural Assets  
|             | | ● Building roads  
|             | | ● Efficient public transport  
|             | | ● Role of government  
|             | | ● Public response  
|             | | ● Luxuriant and colorful cultural heritage  
|             | | ● Role of government  
|             | | ● Large population  
|             | | ● Transportation volume  
|             | | ● Public order  |
| Tourism | ● Games-induced Travel  
|         | ● Improved infrastructure  
|         | ● Destination promotion  
|         | ● Promote convention and incentive market  
|         | ● Pre- and post- Games itineraries  
|         | ● Overcrowding  
|         | ● Disruption of Local people’s life  | | Role of government  
|         | | ● Beijing Olympic Tourism Plan  
|         | | ● Reconstruction of tourist sites  
|         | | ● Develop tourism products  
|         | | ● Expansion of accommodation  
|         | | ● Improve service standard  
|         | | ● Activities to promote culture  
|         | | ● Activities to promote convention and incentive markets  
|         | | ● 2005--Olympic Tourism Year  
|         | | ● Activities for better understanding of the city  
|         | | ● Role of government  
|         | | ● Public response  
|         | | ● Luxuriant and rich cultural heritage  
|         | | ● Increased tourist numbers  
|         | | ● Role of government  
|         | | ● Uneven accommodation preparation  
|         | | ● Post-use of the hotel rooms  
|         | | ● Language barriers  
|         | | ● Environmental situation is not too good  |

Figure 3. Leverage Matrix