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Economic Ripple Effects of FIFA Stadium Construction

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Abstract

The FIFA World Cup, a global celebration of sport, brings immense excitement and pride to host nations. Yet, beneath the spectacle lies a troubling reality. This research explores the darker side of stadium construction for the event, uncovering how corruption and inefficiencies take a heavy toll on host countries. From inflated budgets and wasted funds to the exploitation of workers, these practices drive up costs, result in poorly built infrastructure, and leave nations grappling with long-term financial burdens. Case studies, such as South Africa's 2010 World Cup and Brazil's 2014 tournament, reveal the lasting scars of "white elephant" stadiums—structures that become underutilized symbols of wasted potential. The human cost is equally alarming. Local businesses are sidelined, communities are deprived of promised benefits, and workers, particularly migrants, endure dangerous conditions and exploitation, as seen during Qatar's 2022 World Cup preparations. These failures erode trust in institutions and diminish the transformative potential of hosting such a prestigious event.

This research emphasizes the urgent need for change. By prioritizing transparency, fair practices, and sustainable planning, FIFA and host nations can turn these events into genuine opportunities for development. Only through collective accountability and ethical action can we ensure that future World Cups bring lasting benefits to communities, rather than leaving behind a legacy of inequality and missed opportunities.

INTRODUCTION

The economic effects of corruption in the construction of FIFA stadium building are significant and farreaching for the host countries; it often leads to higher expenses, subpar infrastructure, and long-term economic difficulties. As football's regulatory organisation, FIFA has an important role in how sports are played across the world, planning events that draw millions of viewers. However, the cost of this influence is high. Organising the FIFA World Cup is a huge effort that calls for large financial outlays, frequently reaching the billion-dollar mark. According to this report, corruption in FIFA-related stadium building has a negative impact on host countries economy, resulting to higher costs, poor infrastructure, and longlasting difficulties.

The FIFA World Cup is a worldwide phenomenon that unites nations and cultures in celebration of football, making it more than just a sporting event. The tournament's excitement has the power to unite separate communities and ignite and create pride in the country. But this excitement frequently conceals a darker reality, one in which corruption permeates the fundamental underpinnings of infrastructure development and stadium building. The financial stakes are quite high; for example, the expenses of



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Brazil's World Cup preparations in 2014 skyrocketed from original forecasts to over \$25 billion.¹ This startling statistic raises grave concerns regarding corruption and financial mismanagement during the building phase.

Many allegations against unlawful activities in former host nations have come to light in recent years. These allegations present a concerning image of the misuse and misallocation of public cash. For instance, investigations from South Africa's 2010 World Cup suggested that significant funds were misused using dishonest stadium building methods ². The government made significant investments in renovating old stadiums and constructing new ones in the hopes that these venues would not only hold elite games but also leave enduring contributions to the communities in which they are located. Unfortunately, corruption and inefficiency plagued many of these projects, resulting in infrastructure that frequently fell short of expectations.

The objective of this paper is to critically analyse the corruption and economic inefficiencies related to FIFA stadium construction, with an emphasis on the social and financial repercussions. We will demonstrate how these unethical methods not only cost taxpayers but also limit the potential advantages that such major athletic events may offer to local communities by looking at case studies like South Africa's experience during the 2010 World Cup. The effects go beyond short-term financial and economic losses; they also have an impact on the host countries' long-term economic stability and growth potential.

Considering the effects on local economies when money meant for public infrastructure is diverted into private wallets to further highlight these concerns. While specific areas of South Africa saw transient increases in tourism during the World Cup, many villages continued to confront difficulties after the event. Instead of serving as development engines, stadiums constructed with public funds are either underutilised and neglected or abandoned, serving as reminders of a squandered investment. When corruption taints the process, the promise of economic revival and employment creation frequently vanishes.

Additionally, it is impossible to ignore the societal repercussions of such corruption. Communities that had intended to benefit from better services and infrastructure now have to contend with inadequate facilities that don't satisfy their requirements. People may get dissatisfied with their leaders as a result of this gap and imbalance and lose faith in the promises made during the hosting rights bidding process.

As we explore this topic further in the essay, it is essential to understand that corruption in the building of FIFA stadiums affects millions of people in the real world and is not merely an abstract concept. The human cost of corruption is shown by the accounts of the people impacted by these decisions, such as families who had hopes for better amenities but were left with decaying and abandoned structures or local workers who were promised jobs but received little to no benefit from inflated contracts.

In summary, the goal of this analysis is to offer a comprehensive understanding of the financial consequences of corruption in FIFA stadium building as well as its repercussions for host countries in the future. We intend to contribute to a larger discussion on accountability and transparency in international athletic events by bringing these challenges to light. In order to guarantee that major events like the World

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¹ Ten years after the 2014 FIFA World Cup: Brazilian stadiums used more than expected. (n.d.). Retrieved November 16, 2024, from https://www.playthegame.org/news/ten-years-after-the-2014-fifa-world-cup-brazilian-stadiums-used-more-than-expected/

² Ten years after the 2014 FIFA World Cup: Brazilian stadiums used more than expected. (n.d.). Retrieved November 16, 2024, from https://www.playthegame.org/news/ten-years-after-the-2014-fifa-world-cup-brazilian-stadiums-used-more-than-expected/



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Cup truly benefit those who live there rather than enrich a few numbers at their expense, countries vying for the right to host these events must learn from their previous failures. ³

BACKGROUND ON CORRUPTION IN FIFA'S STADIUM CONSTRUCTION PROJECTS:

FIFA's Influence and Requirements Through its strict regulations for stad

Through its strict regulations for stadium construction, FIFA has a major impact on the infrastructural landscape of host nations. Countries that are interested in hosting the World Cup have to meet certain requirements, such as constructing a least of 12 stadiums with seating capacity that can range from 40,000 to 80,000, depending on the kind of match. Because of this necessity, host countries are frequently forced to make significant infrastructure investments, which can result in inflated costs and corruption as different parties compete for lucrative contracts. Meeting these requirements may take precedence over the investments' economic feasibility, which might result in dubious financial activities. ⁴

Common Forms of Corruption

Corruption in construction projects connected to FIFA frequently takes several forms: bribes in Contract Awards: Businesses may use bribes to undermine fair competition by obtaining contracts for construction or service provision.

Inflated Construction Costs: Kickbacks and collusion between authorities and contractors may cause cost overruns in many projects.

Fund Misallocation: Funds intended for public infrastructure may be taken over by the private sector, leaving behind inadequate or unfinished projects.

Along with driving up project costs, these dishonest activities jeopardise the durability and quality of the infrastructure that is constructed. ⁵

Case studies

One prominent instance is the South Africa's 2010 World Cup, when the government invested over \$3.6 billion on infrastructure and stadiums. Certain contracts were given without following the correct bidding procedures, according to investigations, raising questions about accountability and transparency. Another example is the 2014 World Cup in Brazil, when mismanagement and inflated contracts caused expenses to skyrocket to over \$13 billion. Numerous projects were reportedly beset by accusations of corruption, including payments to public officials and exorbitant material costs.⁶

The Financial Burdens of Overstated Construction Budgets: Examination of Budget Exceedances

Examination of Duuget Exceedances

Construction costs tend to be increased by corruption, frequently surpassing original projections by large

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³ Ten years after the 2014 FIFA World Cup: Brazilian stadiums used more than expected. (n.d.-b). Retrieved November 16, 2024, from https://www.playthegame.org/news/ten-years-after-the-2014-fifa-world-cup-brazilian-stadiums-used-more-than-expected/

⁴ Contributors to Wikimedia projects. (2024, November 10). List of FIFA World Cup stadiums. Wikipedia. https://en.wikipedia.org/wiki/List_of_FIFA_World_Cup_stadiums

⁵ Al-Hamrani, A., Kim, D., Kucukvar, M., & Onat, N. C. (2021). Circular economy application for a Green Stadium construction towards sustainable FIFA world cup Qatar 2022TM. Environmental Impact Assessment Review, 87, 106543. https://doi.org/10.1016/j.eiar.2020.106543

⁶ Ten years after the 2014 FIFA World Cup: Brazilian stadiums used more than expected. (n.d.-b). Retrieved November 16, 2024, from https://www.playthegame.org/news/ten-years-after-the-2014-fifa-world-cup-brazilian-stadiums-used-more-than-expected/



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amounts. For instance, South Africa's stadium building project had an original budget of \$1.3 billion, but since there were a number of unethical practices and poor management, the final prices skyrocketed. Identical trends are shown through the comparison of data from different host countries:

Host Nation	Initial Budget (USD)	Final Cost (USD)	Cost Overrun (%)
South Africa	\$1.3 billion	\$3.6 billion	176%
Brazil	\$11 billion	\$13 billion	18%
Russia	\$10 billion	\$14 billion	40%

The above statistics demonstrate how corruption imposes an excessive financial burden on host countries in addition to inflating costs.

Implications for National Debt

Corruption has consequences for the economy that go beyond short-term expenses; it may have an immense effect on the amount of national debt, especially in developing countries. Increased spending frequently results with higher borrowing needs, which puts more pressure on national budgets. Long-term effects on fiscal policy and social spending priorities were caused, for instance, by South Africa's investment on World Cup infrastructure, which raised the country's public debt levels. In an effort to control their growing debt loads, nations that experience difficulties with repayment after the event may be forced to carry out austerity measures or reduce access to basic services.

To sum up, corruption and misconduct in FIFA stadium construction projects has significant negative economic repercussions that go well beyond exaggerated spending plans. The credibility of governmental institutions entrusted with overseeing these enormous endeavours is compromised, national debt problems are made worse, and public investment priorities are distorted. When seen through the prism of South Africa's 2010 World Cup experience, these difficulties underscore the necessity of more accountability and transparency in the infrastructure projects associated with international athletic events.

THE BURDENS OF UNDERUSED OR 'WHITE ELEPHANTS' STADIUMS:

There can often be serious economic repercussions when stadiums are built for big events like the FIFA World Cup, particularly when corruption is present. The post-event economic drain, opportunity costs, and a case study of South Africa after the 2010 World Cup are the main topics of this essay's examination of the disadvantages of underutilised or 'WHITE ELEPHANT' stadiums. We may have a better understanding of the broader consequences of corruption in the development of sports infrastructure by looking at these factors.

The Concept of "White Elephant" Stadiums

Large stadiums that are expensive to maintain but are underutilised once their original function is served are referred to as "white elephant" stadiums. These locations frequently have high annual maintenance expenses that are difficult for local governments to pay, imposing a financial strain on taxpayers, the citizens of the nation. For example, several of the newly built stadiums experienced a sharp decline in use following the 2010 FIFA World Cup in South Africa. After the World Cup, the Cape Town Stadium, which was constructed at an estimated cost of \$530 million, only held a few events year, resulting in operating



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expenses that much exceeded the money generated from the occasional event. ⁷

Local resources may be severely constrained by the stadiums' maintenance expenses. According to reports, the costs associated with maintaining these underutilised infrastructures made it difficult for many South African governments to finance necessary services. As an example, the \$200 million Nelson Mandela Bay Stadium in Port Elizabeth had trouble attracting crowds outside of the World Cup. Consequently, local governments had to spend money on security and maintenance rather than urgent community needs like healthcare and education ⁸. This situation is a prime example of how significant spending in sports may result in long-term financial drain rather than steady growth. ⁹

Opportunity Costs

Other essential public amenities are frequently compromised in order to pay for the stadium developments. The original budget for World Cup-related expenses in South Africa was estimated at \$519 million, but by 2010, that amount had risen dramatically to around \$8.9 billion, an increase of more than 1700%34. This extreme expenditure took funds away from important infrastructural initiatives like healthcare and education. ¹⁰

This diversion has significant opportunity costs associated with it. The welfare and development of the city might have been greatly improved only if the funds had been used for social initiatives or improvements to local infrastructure. For example, funding transportation systems may have decreased traffic in cities and increased citizen mobility. Furthermore, the funds might have been used to health programs that tackle South Africa's high rates of HIV/AIDS and TB, which are still serious problems today. ¹¹

Case Analysis: South Africa Post-2010 World Cup

An informative case study for understanding the economic repercussions of corruption and resource misallocation is South Africa's experience after the 2010 FIFA World Cup. The reality was very different from the original excitement over the possible revenue generated from hosting the event. Many of the stadiums constructed for the event ended up being "dead investments," meaning that local communities received little to no return on their investment.

For example, even though the government made significant investments in stadiums like Soccer City and the Cape Town Stadium, these spaces had trouble attracting crowds once the World Cup was done. According to reports, throughout the course of 2014, these facilities ran at an average capacity of less than 5%. Local governments, who were already struggling due to elevated unemployment rates and disparities in socioeconomic status, were further burdened by the operating costs 12.13

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Maharaj, B. (2015). The turn of the south? Social and economic impacts of mega-events in India, Brazil and South Africa. Local Economy: The Journal of the Local Economy Policy Unit, 30(8), 983–999. https://doi.org/10.1177/0269094215604318
 (N.d.). Retrieved November 16, 2024, from https://home.fau.edu/cboudreaux/web/FIFA%20Corruption%20final%20draft%20for%20online%20version.pdf

¹⁰ Gill, S., Adelus, E., & de Abreu Duarte, F. (2019). Whose game? FIFA, corruption and the challenge of global governance. European Journal of International Law, 30(3), 1041–1066. https://doi.org/10.1093/ejil/chz054

¹¹ ll_sevenpillers. (2014, September 8). An ethical analysis of the 2014 FIFA World Cup in Brazil. Seven Pillars Institute. https://sevenpillarsinstitute.org/ethical-analysis-of-the-2014-fifa-world-cup-brazil/

¹² ll_sevenpillers. (2014, September 8). An ethical analysis of the 2014 FIFA World Cup in Brazil. Seven Pillars Institute. https://sevenpillarsinstitute.org/ethical-analysis-of-the-2014-fifa-world-cup-brazil/

¹³ Ten years after the 2014 FIFA World Cup: Brazilian stadiums used more than expected. (n.d.-a). Retrieved November 16, 2024, from https://www.playthegame.org/news/ten-years-after-the-2014-fifa-world-cup-brazilian-stadiums-used-more-than-expected/



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Furthermore, these issues were made worse by widespread corruption during the bidding and constructing stages. Significant financial losses that could have been used for community development projects were caused by allegations of price gouging and poor management. ¹⁴Investigations showed that fraudulent activities by public servants and private contractors resulted in the syphoning off of monies meant for infrastructure upgrades. Due to the consequences of these decisions, several South African cities have failed to fulfil their promises of economic rejuvenation and are now completely reliant to stadium maintenance. ¹⁵

Social Impact and Community Perception-

The public's perception of FIFA and government agencies was greatly affected by the construction of these stadiums. Many residents voiced their anger over what they saw as the waste of funds and resources that would have been better used to improve their living conditions rather than constructing amenities that would not directly benefit them¹⁶. An increasing amount of criticism regarding the utilisation of major athletic events as instruments for economic growth has resulted from this disappointment.

Additionally, local communities were frequently left out of the decision-making procedures that determined which projects were prioritised and how monies were allocated. The lack of openness around stadium construction-related business transactions increased public mistrust of both local government and global institutions like FIFA. The public's support for upcoming projects aiming at community investment or urban development as well as civic involvement may be negatively impacted for an extended period by this breakdown of confidence.

Long-Term Economic Consequences-

Building underutilised stadiums has long-term economic repercussions that go beyond short-term financial difficulties; they also fuel more significant problems like the growth of municipal debt. Many cities that hosted World Cup games had to deal with the difficulties of repaying debts they had taken out to build stadiums. Municipalities had to take money away from other essential services and functions, like public safety and education, to pay off these debts as operating losses increased as a result of poor attendance rates.

For instance, local authorities in Port Elizabeth stated that they struggle to pay for essential infrastructure like as road repairs and upgrades to public transit, while they spend millions of dollars a year only to maintain the Nelson Mandela Bay Stadium¹⁷. In addition to impeding local economic development, this debt cycle maintains social inequality by causing those with limited resources to continue to suffer from a lack of public services.

Significant concerns regarding public spending priorities and accountability have been brought to light by the economic fallout from corruption in the building of FIFA stadiums. Large expenditures can result in long-term economic challenges for local governments, especially when combined with high maintenance costs and poor usage rates, as the idea of "white elephant" stadiums demonstrates. The necessity for more careful financial management when organising large-scale events is further highlighted by the opportunity costs connected with taking money away from essential services.

¹⁴¹⁴ Chris. (n.d.).

¹⁵ Gill, S., Adelus, E., & de Abreu Duarte, F. (2019b). Whose game? FIFA, corruption and the challenge of global governance. European Journal of International Law, 30(3), 1041–1066. https://doi.org/10.1093/ejil/chz054

¹⁶ Maharaj, B. (2015c). The turn of the south? Social and economic impacts of mega-events in India, Brazil and South Africa. Local Economy: The Journal of the Local Economy Policy Unit, 30(8), 983–999. https://doi.org/10.1177/0269094215604318 ¹⁷ Gill, S., Adelus, E., & de Abreu Duarte, F. (2019c). Whose game? FIFA, corruption and the challenge of global governance. European Journal of International Law, 30(3), 1041–1066. https://doi.org/10.1093/ejil/chz054



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Examining South Africa's experience following the 2010 World Cup makes it obvious and clear that, in the absence of adequate planning, openness and transparency, such initiatives may have the opposite effect of the expected positive economic effects. Governments must prioritise sustainable development going ahead and make sure that investments benefit the entire community rather than a small number of people who profit from unethical activities at FIFA and other organisations.

PROJECTION ON LOCAL ENTERPRISES

Greater Margin For Growth Brought By Corporates:

As was the case with the contractors in charge of the construction projects for the World Cup in Brazil, South Africa the World Cup contracts were not equitably shared among the local contractors. In Brazil for example, in the construction of stadiums, bribery and collusion practiced in tendering and ovberheads costing were percipicated to be as high as one-third1. This kind of a business environment favored big multinational corporations with political connections pushing aside smaller local companies who would have offered their services and enjoyed the economic boom brought about by the World cup.

Exhaustion of Financial Resources:

The problem with this is that such large projects take money away from more fundamental local concerns like infrastructure improvement. In South Africa, for example, large amounts of money were allocated for the building of the new sports arenas, while more pressing needs, such as the provision of housing and sanitation, were largely ignored2. This kind of waste created barriers for the growth of the local businesses leading to disgruntled citizens who marched in the streets to protest against the government for mismanagement of resources.

Lasting Effects On the Economic Development:

Economic stagnation is one of the most often experienced legacies of corruption. For instance, sports facilities built for the 2010 World Cup in South Africa, a majority of them are referred to as white elephants, that is facilities which do not help in any economic undertakings nor provide business for the locals2. People prediction that those structures will bring tourists and would regularly hold many events as the original intent of establishing those venues is no longer true resulting in losses to the regions.

The various economic effects on the business environments in which FIFA stadiums are built are both vast as well as multifaceted and include both positive short-run economic impacts as well as negative long-run economic impacts. While a construction phase may lead to some level of employment for the local workforce and boost the economy of that particular region, the overall results may be much worsened by the existence of systemic forms of corruption and mismanagement in the society.

Short run Economic Benefits

This global sporting event, which is popularly referred to as the Fifa world cup, is associated with enormous development especially the putting up of state of the art stadiums in different countries and therefore there is usually a surge in the employment rate. To illustrate the case of South Africa, a large number of employment opportunities especially in construction were generated whenever the World Cup of 2010 took place where it was said that rather many jobs were offered during the construction of their stadium1. Some local suppliers and service providers tend to experience upsurge in sales for a short period because of the increase in demand for their materials and services thus increasing the revenues of local businesses. Brazil, however, displayed such opportunities but believes corruption which inflated the costs of the projects and took work from local small players5.



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Cloaked Claims

Stadia construction-related expenditures are very rarely – even in developing economies – of offered to any local businesses but large corporate entities. For example, in South Africa, many of the contracts were awarded to companies that were politically connected, thus smaller firms could not benefit from the economic boom that was experienced due to the World Cup related activities2. This is commonly referred to as 'tenderpreneurship,' in regions where government contracts primarily serve the interests of well-connected already established firms with reasonable political connections aggravating the income distribution and inclusion levels within the economy.

Consequences in the Long Run

The long term negative impact of use of stadiums could be felt on the local businesses in case the stadiums become low usage or 'white elephants' as they are referred. Most of the World Cup grossed infrastructures in South Africa and Brazil have failed to capture the market in terms of events leading to massive losses through unmanageable upkeep expenses that the urban administrators cannot afford. To illustrate, the Moses Mabhida Stadium in Durban has suffered harsh criticism due to its high operational costs in relation to the very few activities occurring at the stadium following the World cup, after which business activities have yet to stabilize in the area entrepreneurs.

Housing Issue and Economic Exclusion

Furthermore, there is great tendency directed toward the building of large sports facilities such as stadiums to the detriment of anyone of such location. This has led to certain neighborhoods being razed, where the residents and local economies are no more. When stadium building is given priority for the provision of facilities like proper housing or waste disposal, massive protests, and violent frustrations from the citizens have forced them to dissociate themselves completely from the events and facilities of hosting global sporting contests.

- CBS News, World Cup 2014 Construction in Brazil Marred by Corruption, Waste (June 10, 2014), https://www.cbsnews.com.
- Fundação Rosa Luxemburgo, South Africa Was Not a FIFA Success Story (Mar. 9, 2015), https://www.rosalux.de.
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 35 World Econ. & Pol. J. 83, 90 (2014).
- Alex Ward, All the 2022 Qatar FIFA World Cup Controversies, Explained, Vox (Nov. 16, 2022), https://www.vox.com.
- Victor Matheson et al., Stadium Deals, Corruption and Bribery: The Questions at the Heart of Brazil's Olympic and World Cup "Miracle", 29 J. of Sports Econ. 265, 278 (2016).

The FIFA World Cup as well as other major sporting activities have of late brought to the fore an issue that has been ignored for quite a long time; that of labor exploitation especially so in the building of stadiums. For example, the 2022 Qatar FIFA World Cup has faced serious allegations of mistreatment of workers, hazardous conditions of work and all forms of maltreatment of immigrant workers. This paper aims to explore the understanding of exploitation of workers through construction of soccer stadiums, the conditions of the workers in focus, what enables the evil to manifest and it's bearing to human rights issues.

Labor Exploitation Context

The construction of stadiums which is often followed by the actual sporting events comprises of quite a number of construction workers and the major cause of labor exploitation chiefly center around this. For



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instance, in Qatar, it is estimated that over thirty thousand workers who were mostly foreign nationals facilitated the building of the infrastructures for the World Cup. Most of these people come from countries such as India, Nepal, and Bangladesh amongst many others, to look for employment opportunities in their host countries. Though, this is exactly opposite for these people who go out in search of employment; they end up in grueling working conditions, earning less than their expectation and working more hours than permissible, in very poor settings.

Equidem in their report asserted that there were negative labor conditions encountered in each of the eight stadiums that were used for the World Cup in Qatar. Some muscular men who worked there were not the only dangers paying attention to all physical records because physical abuse along with non-payment for services rendered or fights secured issues such as discrimination on a person's nationality from these sources was not hidden. Complaints.

Unsafe Working Conditions - Issues Faced By Workers

The highlighted working environment for these individuals is typically very worrying. Various sources claim that personnel are expected to work under very low or extremely high temperatures, only for them to be told not retire or take breaks or even offered water. For example, during the construction of Lusail Stadium, it is reported that the laborers had issues because they had to be out in the sun under a shade for long hours with the temperature exceeding 45 celsius degrees 15. Such situations can have very serious health effects even if one is only exposed to them for a short duration and some of them can even lead to chronic health effects.

There has also been several incidences where such risk factors have even resulted in wrongful deaths. Laborers have reported seeing workers who or died due to a fall from heights or otherwise dangerous construction sites that lacked appropriate safeguards. The problem is exacerbated by the absence of safety training and appropriate equipment for the workers.

The Kafala System

The kafala (sponsorship) system is a proven tool that has been used firmly to conserve the modern slavery of the migrant workers in Qatar. Kafala ties an employee's legal status with that of their employer which gives the employers excessive power over their employees. This largely implies that the employees are not free to change any jobs or even leave the country without permission from the employers. This type of systems, therefore, is open to manipulation and makes it inconvenient for the workers to raise red flags or report any misconducts breach. Not respect for the existing laws regarding worker rights protection is the record of almost all companies, even if the Qatar government makes some announcements about creating some international decree policies. According to reports, these companies do not fear repercussions for abuse of workers.

Systemic Issues and Accountability

The place of accountability, both within a national framework and in the international system poses a challenge due to the unavoidable capitalist exploitation of labor in the courses of erecting the stadium. For example, FIFA haters claimed the organization was her excuses to denounces built into every structural and organizational aspect. Yes, I am aware that they even made some proposals to change all that and prevent any breaches from occurring, which will for the most be cosmetic.

Organizations dedicated to human rights, such as Amnesty International, have called upon not only FIFA its top partners to account pressure on the Qatari authorities concerning the enforcement of laws related to labor and humane treatment of its workers. The report from Amnesty reveals that FIFA for years made declarations regarding the need to improve employment practices, but such abuses persist4.



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Wider Expiations

The issues connected with the exploitation of labor do not bother only individual people; they appeal to more profound and more complex issues such as: globalization, social inequality, inequalities and maltreatment concerning human rights. It is clear from the examples of construction workers, who are primarily migrants, that even if an ethical code is put in place, some members of the society will still be abused for the financial and social gain so as to ensure activities of a global nature such as the World Cup take place.

Moreover, such violations may adversely affect the reputation of the countries and organizations that host or are involved in such activities. The public is less prepared to accept inhumane working conditions when it comes to organizing sports mega-events, and therefore the pressure on governments and organizations, such as FIFA, is growing.

The problem of labor exploitation while building stadiums still remains and requires the involvement of all stakeholders of major sporting events. The plight of migrants is one that adds complexity to the dream of economic emancipation. It is quite clear that these categories of workers are actually subjected to some form of mistreatment and worse, neglect. In order to visualize a more conducive environment for every individual who works on or around such projects, it is imperative that organizations such as FIFA are swayed to operate with utmost transparency and accountability. Certain difficulties were specified, such as the fact that it is already not enough simply to introduce the existing protective labor laws. In this regard, it is extremely important to start more radical reforms in the system, which, in practice, should be capable of protecting the rights of workers. Otherwise, countries where such stadiums are built for international events will always be characterized by exploitation, year in, year out.

CONCLUSION

With this in mind, the analysis of corruption in the construction of FIFA stadiums is such that a mixture of economic incompetence, labor exploitation, and the destructive effect on local communities comes out. The cost has overstretched because of inflation in price due to fraudulent practices such as that seen in Brazil. Here, the cost of building Mane Garrincha increased threefold, and, as it so happens, taxpayers were left paying the high price without sufficient benefit. It misallocated resources by suffocating local businesses and tourism, and the worst effects this time on disappointed citizens, who were promised economic renewal with the hosting of major events.

Labor exploitation has also emerged as a priority issue, especially in relation to Qatar's migrant workerslousy conditions and systemic abuse within the kafala sponsorship system under which many of them are subjected. Reports are full of violations of their labor rights and unpaid wages and hazardous working conditions.

In a nutshell, these can be corrected only through collective efforts by FIFA, the hosting nation, and the global community to make stadium construction operations more transparent and accountable. By using the virtues of such as ethical practices while respecting workers' rights, stakeholders indeed suppress adverse ripple effects to the economy and concretize developmental ideas on local communities' actual benefit. This is the only way the integrity of sporting events worldwide would be restored, and its value tapped fully for good.

- 1. Equidem, Research Report on Labor Rights Violations at Qatar Stadiums (2022), https://www.equidem.org.
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- 3. Human Rights Watch, Report on Exploitation at World Cup Sites (2022), https://www.hrw.org.
- 4. Jamil Anderlini, Labor Conditions Under Qatar's World Cup, Rolling Stone (Dec. 1, 2022), https://www.rollingstone.com.
- 5. Labor Abuse Violations at Qatar Stadiums, Times of India (Nov. 28, 2022), https://timesofindia.indiatimes.com.s