

Lessons from South Africa's FIFA World Cup, Brazil and its Legacy for Labour

**This paper was first published as a chapter in a book, "La Coupe est pleine!" about mega-sports published in French by the Europe – Third World Centre (CETIM), Switzerland in 2013. A Portuguese version is also available at the Institute for Latin American Studies (IELA), Brazil.*

Eddie Cottle¹
Mauricio Rombaldi²

Introduction

Mega-sports events, including the Olympics are short-term, once-off events with a large-scale economic impact³ and a concentration of capital expenditure and labour especially in the construction, hospitality, transport and services sectors. In a very short space of time the face of a city can be changed and those who live in it. Those that build the city and its infrastructure to host the mega-sporting event are rendered invisible. Their labour is required but their presence in the city is not desired. The price of labour power is repressed as workers find themselves competing for precarious forms of work – and so super exploitation is maintained.

The trade union movement has generally not sought to use the opportunity of mega events such as the FIFA World Cup to make long-term strategic gains for the labour movement. The previous World Cup held in Germany in 2006, for example, demonstrated a general absence of trade unions in utilising the opportunity to revitalise the unions and to increase trade union density.⁴

It was the South African trade unions affiliated to the Building and Wood Workers' International (BWI) that were the first to develop a model for strategically campaigning around mega sports events with the international launch of the 'Campaign for Decent Work Towards and Beyond 2010' in 2007 at the World Social Forum, thereby effectively using the opportunity presented by the 2010 World Cup to promote decent working conditions in the construction sector in South Africa.⁵ The success of this model lies in its replication beyond South African borders.

¹ Eddie Cottle is the policy and campaign officer of the Building and Wood Workers' International (BWI), African and Middle East Region. He was the coordinator of the BWI "Campaign for Decent Work Toward and Beyond 2010" in South Africa.

² Mauricio Rombaldi holds a PhD in Sociology from the University of Sao Paulo (USP) and was the Project Coordinator of the Building and Wood Workers' International (BWI), Latin America Region. He was also the coordinator of the BWI "Campaign for Decent Work Toward and Beyond 2014" in Brazil.

³ Collette Herzenberg. 2010. *Player and Referee: Conflicting Interests and the World Cup* (Cape Town: Institute for Security Studies), p. 1.

⁴ Schwetz and Mcguire. 'Fifa World Cup 2006 Germany: An opportunity for union revitalisation?' *Global Labour University Working Paper*, Paper No. 5, November 2008.

⁵ Bahadur and Koen. 2010. 'Evaluation of the Building & Wood Workers' International 'Campaign for Decent Work Towards and Beyond 2010'. Building and Wood Workers' International.

FIFA's Sports Accumulation Complex and the increasing rate of exploitation

When the South African government entered the FIFA market to bid to be the first country in Africa to 'host' the World Cup⁶ it purchased the right to host the sporting spectacle without a definite price. The bid document, itself a secret document, (which was funded by Multinationals with a direct financial interest in the games) contained flawed calculations based on what is called guess-estimates, which cannot account for cost escalations let alone the net income to the state and society.

The initial cost estimate was calculated at R2.3 billion and was to be paid by the South African government, largely to fund the stadia and related infrastructure. At the same time, it was projected that South Africa would gain an additional R7.2 billion in tax revenue related to hosting the event. However, the 2010 estimated cost (and this is likely to be much higher) for the South Africa government was R39.3 billion – an enormous 1 709% increase from the original estimate and amounted to a complete financial loss in terms of taxable sales.⁷

In addition to providing 'guarantees' to FIFA and its commercial partners for unhindered capital accumulation, the state also used its vast control of the surplus value of society (taxes) to contract the provision of infrastructure and services including driving a local fan base of around 12 million people to consume merchandise and ticket sales invariably paid for or funded through increased consumer debt spending.

Mega sporting events give true meaning to the notion of the reduction of time and space in which governments and the private sector are able to provide the infrastructure and services necessary to host the event (normally one month in duration) with a concomitant increase in the mobilisation of a flexible, highly exploitable labour force. This reduced time and space in which delivery of the event occurs highlights the central problem of the intensification of the exploitation of labour without commensurate improvements in wages and working conditions.⁸

The South African government provided the stimulus for the rapid and large scale expansion of the economy which at the same time required the mobilisation of the readily available and large supply of cheap labour. With an official unemployment rate of 24%⁹ a large reserve army of labour (including the unemployed, casuals, self-employed and migrant workers) was absorbed into the labour market for the production of the sporting spectacle and were disposed of in the run up to the mega-event (held 11 June to 11 July 2010), contributing to the a loss of 627 000 jobs in the overall economy.¹⁰

Gearing the South African economy up to meet the needs of the World Cup, including providing the required upgrades and expansion to infrastructure, the manufacture of commodities and provision of services related to the hosting of the event necessitated increasing the rate of exploitation of workers. The FIFA mascot Zakumi, for example,

⁶ On 15 May 2004, the president of the Federation of International Football Association's (FIFA), Joseph "Sepp" Blatter announced that South Africa would host the 2010 Soccer World Cup. <http://www.sahistory.org.za/dated-event/south-africa-wins-2010-bid-host-soccer-world-cup>

⁷ Bond and Cottle. 2011. 'Economic Promises and Pitfalls of South Africa's World Cup'. In *South Africa's World Cup: A legacy for Whom?* University of KwaZulu-Natal Press. p.

⁸ Eddie Cottle (ed). 2011. 'Introduction'. *South Africa's World Cup: A legacy for Whom?*, p. 3.

⁹ <http://www.stanlib.com/ECONOMICFOCUS/Pages/SAUnemploymentRateQ42010.aspx>

¹⁰ Statistics South Africa. 2010. 'Quarterly Labour Force Survey Quarter 2 (April–June)'. Press statement, 27 July.

licensed through the Global Brands Group, was produced by Chinese teenage workers under sweatshop conditions as they worked 13-hour shifts for a meagre \$3 a day.¹¹

Tourism	2008	2009	2010	2011
Direct GDP	R67 147 m	R69 289 m	R80 249 m	R84 333 m
Direct employment	606 934	553 990	567 378	598 432

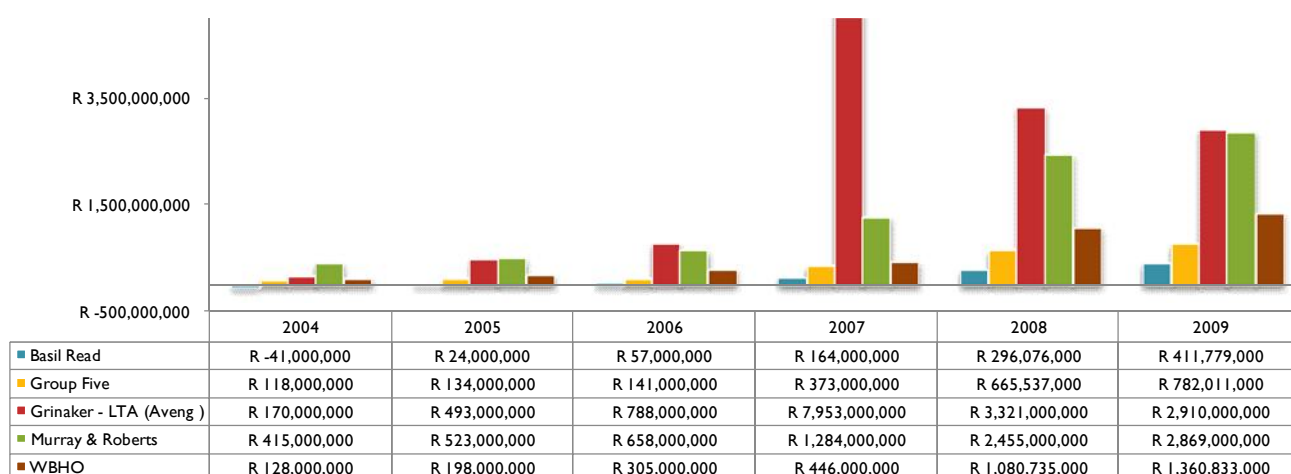
Source: Table by author with data sourced from Statistics South Africa, National Accounts Report, Report No.: 04-05-07, March 2013

As illustrated above, in the tourism sector and related industries there has been a growth in the contribution to the direct gross domestic product in the pre and post-World Cup periods from R67 147 million in 2008 to R84 333 million in 2011. There were 606 934 workers directly engaged in producing goods and services purchased by visitors in 2008, 553 990 workers in 2009, 567 378 workers in 2010 and 598 432 in 2011.

If we compare the number of workers employed in direct employment in the tourism sector in the pre-World Cup period of 2008 where some 606 934 workers were employed with the three years immediately (2009), during (2010) and post-World Cup period (2011) we find that employment was in fact lower despite the increased levels of expenditure even during the actual month that the World Cup took place during 2010. There were 52 944 fewer workers in 2009, 39 556 fewer workers in 2010 and 8502 fewer workers in 2011 than there were in 2008.

Thus, the employment multiplier effect projected by Grant Thornton¹² fell apart because, instead of increased employment through increased investment and expenditure, there was an actual decrease in direct employment. What this suggests is that there was a real increase in the rate of exploitation of workers employed in the tourism and related industries who had to work longer hours or at an increased pace of work or both in the context of increased tourism flow to South Africa.

Rising profits of the 'Big Five' construction companies during the stadium years, 2004–9



Source: South Africa's World Cup: A Legacy for Whom?

¹¹ Staff Reporter. 2010. 'Zakumi factory ordered to stop production'. *Mail and Guardian Online*, 10 March 2010. (accessed 16 April 2013)

¹² Grant Thornton Strategic Solution was the official economic think tank that drew up the economic impact report for South Africa's bid to host the World Cup <http://www.gt.co.za/>

Despite the world economic crisis of 2008-2009 the top five South African construction companies¹³ have benefited handsomely from the World Cup infrastructure projects raking in an average profit of 100% over the five year period (2005-2009) after making substantial losses up to 2004. The total remuneration of CEO's, which includes benefits and bonuses, on average had risen by over 200% since 2004.¹⁴

In keeping with the time-bound nature of the World Cup some 452 000 jobs were said to have been created. However, the nature of these jobs was precarious. The general trend has been for construction companies to downsize their workforce and retain a core workforce of quantity surveyors, site managers, foreman, health & safety officers and a few artisans and semi-skilled workers. Then there was a large layer of unskilled casual or temporary workers hired on short-term contracts, largely as general workers. Skilled South Africans are in great demand but there are very few opportunities for millions of unskilled, mainly black workers, who can be delivered to companies through labour brokers and sub-contractors and trained very quickly, if required. Through this mechanism a racial dimension to work was maintained or perpetuated in construction of the World Cup infrastructure.¹⁵

In the construction sector where some 1,117 000 workers in both the formal and informal sector were employed in 2009, only 1 006 000 workers were employed by the time the World Cup kicked off in South Africa resulting in a loss of 110 000 construction jobs year-on-year. In fact, between quarter 4 of 2009 the official unemployment rate was 24,3% and in quarter 1 of June 2010 unemployment had reached 25,2%.¹⁶ The mass of the reserve army of labour in the construction sector was disposed of as soon as the World Cup projects were completed.

Despite the efforts of trade unions and workers to fight for improved working conditions the wage gap in the construction sector rose from 166 in 2004 to 285 in 2009.¹⁷ The World Cup has therefore made its contribution to increasing social inequality within South African society.

The current investigation by the South African Competition Commission, points to the operation of a construction cartel 'involved in one of the most significant infrastructure rollouts in the country's history'¹⁸ and its plundering of public funds, demonstrates how public mega subsidies for mega sports events degenerate into vehicles for sponsored private capitalist-primitive accumulation.

¹³ Aveng (owner of Grinaker-LTA), Murray & Roberts, Wilson Bayly Holmes–Ovcon (WBHO), Group Five and Basil Read. Two overseas firms – Dutch-owned BAM International, formerly Interbeton BV (Royal Dutch BAM), and French-owned Bouygues – were included in stadium contracts through joint ventures

¹⁴M. Taal. 2011. 'Their Cup Runneth Over: Construction Companies and the 2010 FIFA World Cup'. In Eddie Cottle (ed). *South Africa's World Cup: A Legacy for Whom?* Company financial reports do not indicate what percentages of profit were derived specifically from the World Cup so it is not possible to differentiate the sources of profit for the period under study.

¹⁵E. Cottle. 2009. 'Paper presented at the International Federation of Workers' Education Association (IFWEA) Conference on "Workers' Education as a Global challenge" 8-9 October 2009, Rutgers University, New Brunswick, New Jersey .

¹⁶ Statistics South Africa. 2010. 'Quarterly Labour Force Survey', Quarter 2 2010. Statistical release P0211.

¹⁷ By dividing the worker's annual wage into the average annual CEO remuneration, the figures show how many years a worker would have to work in order to earn what a CEO takes home in one year.

¹⁸ Lloyd Gedye. 2013. 'Construction: Collusion may be the industry's fatal flaw'. *Mail&GuardianOnline*, 8 February.

The Trade Union Legacy

The first strike recorded at a World Cup construction site broke out at Green Point Stadium on 27 August 2007, igniting a wave of local site strikes which resulted in agreements with employers across the country. About 20 of the 26 strikes were wildcat in nature, indicating an autonomous and spontaneous new militancy among construction workers. This militancy was to some extent captured by trade unions, ultimately leading to widespread gains such as project bonuses of R6 000, no downward variation of working conditions, improved health and safety, and increases in pay rates.¹⁹

On 8 July 2009 a week-long nationwide strike commenced in South Africa by 70 000 construction workers and this was unprecedented and significant in several respects. Not only was this the first national strike on 2010 World Cup sites by South African construction workers, creating an *international* precedent, there was the unity displayed by workers and trade unions within a sector organised by several competing trade unions from three different ideologically-based federations. A clear feature of the strike was the widespread support it mobilised from the South African public and the media despite the strike potentially setting back progress on World Cup projects. While FIFA and the local organising committee ultimately played a role of placing pressure on the trade union leadership to compromise, the construction sector workers called for the abandonment of wages linked to inflation and settled for a 12% increase in wages, 4% above inflation thus setting the stage for other sectors in the economy to follow.²⁰ After all, there appeared to be no limitation to CEO and executive remuneration that in reality has never been bound by inflation.

The national strike had as its background at least two years' preparation and build-up by the unions through the Building and Wood Workers' International (BWI) "Fair Games, Fair Play: Campaign for Decent Work Towards and Beyond 2010" which was launched in Nairobi, Kenya at the World Social Forum in 2007. An alliance was formed between BWI, the International Trade Union Confederation (ITUC) and with the South African labour support organisation, Labour Research Service (LRS) playing an instrumental role in shaping the content of the campaign. The campaign was led by the Building and Wood Workers' International (BWI) Africa and Middle East Office and its South African affiliates, the National Union of Mineworkers (NUM), the Building Construction and Allied Workers' Union (BCAWU) and the South African Building and Allied Workers' Organisation (SABAWO).

The "Campaign for Decent Work Towards and Beyond 2010" was historic in the sense that it was the first large-scale, systematically implemented trade union campaign in connection with a mega sports event. BWI was concerned with the decline in the construction trade union membership worldwide and sought to increase the level of trade union density through engaging proactively in mega-projects such as the 2010 World Cup infrastructure development programme in South Africa. It combined five strategic pillars: organising, research, negotiations, campaigning, and international solidarity.

¹⁹ E. Cottle. 2011. 'Scoring an Own Goal? The Construction Workers' 2010 World Cup Strike'. In E. Cottle (ed) *South Africa's World Cup: A legacy for Whom?*

²⁰ Ibid. The workers had initially demand a 20% increase in wages

Pillar 1: Organising

Organising workers is the central pillar that informs any campaign strategy within the trade union movement and how and whom the trade union organises into the union is telling of the trade union tradition. The central question in the deployment of the reserve army of labour (including the unemployed, casuals, self-employed and migrant workers) which acted as a 'natural' barrier to higher wages and improved working conditions, due to its oversupply in the World Cup infrastructure projects and because it constituted the majority of the workforce, was its recruitment as members into the trade unions. The extensive use of labour brokers and subcontractors meant that the construction workforce is highly mobile and fragmented and creates challenges for union organising.

A key concern raised was that, while the construction workplace has been dramatically changed, the trade union as an institution has remained largely the same, with a tradition of centrally organised trade unions relying on a diminishing, traditional core workforce as its membership. How were the unions going to ensure the growth of union density in the sector, through promoting decent work for non-standard workers?²¹

From the onset, BWI was aware of the need for the organisational renewal of the construction trade unions which was clearly reflected in the objective of the campaign, "The 2010 Soccer World Cup is used to facilitate growth of union density in the sector, through promoting decent work for non-standard workers in the construction industry."

The unions thus gave more attention than they had in the past to workers employed by subcontractors and labour brokers, opening up the space for embryonic new organising strategies. The unions also became more aware and receptive to the legal and organisational transformations that would be necessary to address issues for these workers and for their incorporation into the union.

In order to achieve this objective the unions engaged in planned recruitment as part of the campaign driven by a Steering Committee²², to which there was accountability for progress. Unions also engaged the campaign coordinator individually to develop recruitment plans for the mega-projects and strategies and recruitment drives were partly resourced by the campaign. In this way, the project gave better focus nationally for targeted recruitment at 2010 sites.²³

Unions were also able, through organising efforts, to integrate their efforts with a rising wave of new and spontaneous militancy that emerged from construction sites during the period, which could be built on by unions in engagements with employers.

The unions recruited 27 731 workers in the project period, increasing union membership by 39.4% from 2006 to 2009.²⁴

²¹ E. Cottle. 2009. 'Paper presented at the International Federation of Workers' Education Association (IFWEA) Conference on "Workers' Education as a Global challenge" 8-9 October 2009, Rutgers University, New Brunswick, New Jersey

²² This steering committee was comprised of two representative of each South African trade union regardless of its membership size, the Africa and Middle East regional secretary of BWI and the campaign coordinator then employed by the Labour Research Service.

²³ BWI. 2010. "Evaluation of the Building & Wood Workers International Campaign for Decent Work Towards and Beyond 2010". Unpublished

²⁴ Ibid.

Pillar 2: Research

The role of research, education and technical support largely provided by the Labour Research Service proved pivotal in raising the consciousness of South Africa trade unions to start conceptualising an alternative way to organise workers in the construction sector.

The importance of competent research and analysis forming the backbone of campaign strategies and messages and moreover also enabled the development of a counter-discourse based upon empirical evidence. The principal example of this was the use of the remuneration research to form a constant message around workers' conditions as opposed to super profits.

The research also reviewed the wages and working conditions of workers nationally, including the nature of the labour relations within sub-contracted and labour broking conditions, with the intention of developing a programmatic approach to transforming the construction sector in South Africa.

South African trade unions were therefore able to submit to the Ministry of Labour a comprehensive submission for the sectoral determination which sets the wages and working conditions for all construction workers in the civil engineering sector on a national basis. According to trade union negotiators, the research assisted the unions with negotiations, 'catching the employers by surprise' as union representatives were more confident around the negotiations table.

The role of the Labour Research Service was not that of mere service provider in that LRS became centrally involved in all aspects of the campaign including the provision of technical assistance and coordination of BWI's decent work campaign. This indicated something new in terms of the traditional way in which unions worked i.e. within their own strict constitutional and hierarchical trade union apparatus.

Pillar 3: Negotiations²⁵

One of the key factors in the success of any process of negotiations is whether the negotiating team has had sufficient preparation and is armed with sufficient knowledge of the specific terrain set before the negotiations actually commence. Since May 2007 at the Koponang Strategy Meeting preliminary negotiating and organising strategies were developed with a uniform set of demands which served as the unifying platform for the competing trade unions.²⁶

The trade union negotiators, who were well prepared through several negotiator training workshops and who were armed with research supported through the BWI campaign, were quite confident about a showdown with employers for the 2009 round of negotiations. By December 2008 NUM had already sent its Memorandum to SAFCEC with a mandated list of nineteen demands to improve wages and working conditions of construction workers. The

²⁵ Unless otherwise stated, this part is wholly taken from, ²⁵ E. Cottle. 2011. 'Scoring an Own Goal? The Construction Workers' 2010 World Cup Strike'. In E. Cottle (ed) *South Africa's World Cup: A legacy for Whom?*

²⁶ BWI. 2010. 'Evaluation of the Building & Wood Workers International Campaign for Decent Work Towards and Beyond 2010'. Unpublished

campaign also developed the legal processes of participating in a new civil engineering sectoral determination with the aim of transforming a fragmented construction sector.

Through the support and planning of the BWI “Campaign for Decent Work”, the trade unions, to the surprise of employers, had already submitted a document on “Sectoral Determination 2: Civil Engineering Sector, South Africa, March 2009” and participated in the national and provincial processes of making written and oral submissions to the public hearings in provinces as conducted by the Department of Labour. The bargaining councils and employers’ associations were vociferous in their opposition, which ‘mainly contested the possible extension of scope of application to include building and construction in the sectoral determination’. In terms of what looked like a promising move to transform the sector, employers blocked the unions’ proposals aided by the state obliging to their discontent.

The wildcat strikes by workers provided critical leverage that the trade unions needed to win substantive *defensive* improvements such as enforcing labour standards on World Cup construction sites, as well as improving wages, working conditions, occupational health and safety (OHS) and promoting vocational training for workers. It was the 2009 national strike where construction workers demonstrated historic unity and where they enjoyed overwhelming public support for their legitimate demands and struggle. The balance of forces was firmly in their favour.

Despite the unique conjunctural power of the national construction strike, the trade union leadership of NUM and BCAWU succumbed to the political pressure of the Department of Labour and the FIFA Local Organising Committee (LOC) in the ‘spirit of ensuring unconditionally a successful hosting of the World Cup’ and thereby losing the strategic initiative to the employers and effectively aborted the overhaul of the sectoral determination.²⁷

Campaign Pillar 4: Campaigning

As the unions were already involved in providing support to workers engaging in wildcat strike action, this set up a difficult dynamic with employers to gain access to the sites for campaign launches. There was increasing concern that taking demands that were developing at a national level to the sites would cause confusion as these demands differed from the worker demands and individual site launches were called off. Ideally the launches would have occurred at the commencement of construction but this was not possible due to the slow start of the campaign.²⁸

The successful lobbying of FIFA was made possible by the combined pressure from the Swiss Federation of Trade Unions, the trade union Unia and the Swiss Labour Assistance on the one hand and the wildcat strike actions spreading across South Africa on the other. This meant that FIFA could not ignore organised labour. A meeting was held on 11 March 2008 in Zurich between union representatives from South Africa, Switzerland and the Netherlands, accompanied by BWI and ITUC and FIFA President, Joseph Blatter and the general secretary, Jérôme Valcke.²⁹

²⁷ Ibid.

²⁸ BWI. 2010. ‘Evaluation of the Building & Wood Workers International Campaign for Decent Work Towards and Beyond 2010’. Unpublished.

²⁹ Vasco Pedrina and Joachim Merz. 2011. ‘The Trade Union Legacy of the 2010 World Cup: International Solidarity Revitalised’. In E. Cottle (ed) *South Africa’s World Cup: A Legacy for Whom?*

Sepp Blatter committed FIFA to bring the workers' issues before the government of South Africa and the FIFA LOC and further agreed to include trade unions in inspection visits to worksites. 'The stadium inspections that took place in March 2009 were tolerated rather than supported by the FIFA Local Organising Committee (LOC). They were widely covered in the media, especially after the delegation was denied access to the Green Point Stadium in Cape Town by the construction joint venture's management, violating fundamental trade union rights.' After this FIFA released a press statement in support of the trade union campaign;³⁰

Although FIFA is not the employer, nor the builder responsible for the construction of the stadiums, FIFA is concerned by the situation and voices its full support to continue the efforts to ensure that fair working conditions were in force while the infrastructure for the 2010 FIFA World Cup™ in South Africa is being built. As such, FIFA shows solidarity with the building trade unions campaign for decent work towards and beyond 2010 'Fair Games – Fair Play'.

The Africa and Middle East representative of BWI, Crecentia Mofokeng, argued that the BWI's stadium inspections "established a precedent that would complicate any FIFA U-turn in future....Although FIFA reneged on their promise of joint stadia inspections, they kept their promise of issuing a clear statement in support of the campaign".³¹

Despite these lukewarm agreements made by FIFA, a symbolic victory for the trade unions was the issuing of 2 free tickets³² to each of the 20 000 construction workers for the World Cup matches.

The campaign media had been based upon empirical research conducted by the Labour Research Service and strategically focused on the huge profits and CEO's income, the desperate conditions of workers including the implications of the socio-economic impact of mega-projects. "This was a clever campaign strategy that was intended to ward off the inevitable accusations of being unpatriotic"³³. Pedrina and Merz 2010 put this well in stating "Sympathy among journalists and media in South Africa was generated by exposing the growing gap between the soaring profits of the construction companies and the stagnant inflation-adjusted incomes of the construction workers; thereby, public sympathy for the legitimate claims of "Fair Games - Fair Play was generated."³⁴

An expansive media profile was developed and sustained over the period of the entire campaign. This included news articles and feature articles in progressive publications and even a feature article in the German press, following a visit of the campaign coordinator. There was also a feature article produced by Ingemar Dahlkvist, a Swedish journalist on the 2012 Euro Cup that compared the situations of construction workers in South Africa, Ukraine and Poland in terms of wages and working conditions and the living standards of

³⁰ Ibid.

³¹ BWI. 2010. 'Evaluation of the Building & Wood Workers International Campaign for Decent Work Towards and Beyond 2010'. Unpublished.

³² <http://www.telegraph.co.uk/sport/football/teams/south-africa/7675904/World-Cup-2010-South-Africas-stadium-workers-handed-free-tickets.html> (accessed 18 April 2013)

³³ BWI. 2010. 'Evaluation of the Building & Wood Workers International Campaign for Decent Work Towards and Beyond 2010'. Unpublished.

³⁴ Vasco Pedrina and Joachim Merz. 2008. 'Uniting fair play: 2010 soccer and global solidarity', *South African Labour Bulletin*, Vol. 32, No. 2

workers. It concluded that whilst wages were much lower for construction workers in South Africa, there was better capacity for industrial action.

The campaign launch was covered nationally on South African television and several interviews on the campaign were conducted on local radio stations. The Workers' World Media Productions (WWMP) made invaluable contributions and carried costs themselves, which assisted in documenting the Green Point Strike and the July 2009 strike. They ensured access to television and radio shows for the campaign.³⁵ Alongside this was many international documentaries made on the World Cup with producers admitting that the campaign resources and analysis were the main source of alternative information on the World Cup in South Africa.

BWI organised a Multi- Stakeholder Conference from 26 – 27 August 2009 in South Africa. The international affiliates of Building and Woodworkers' International, its South African affiliates, national unions in the food and retail sectors and international organisations such as ITUC, International Union of Food workers (IUF), Public Service International (PSI), International Textiles Garment and Leather Workers' Federation (ITGLWF), and StreetNET (an organisation of informal traders), all involved in lobbying and advocating for better working conditions for workers in industries associated with major sporting events like the 2010 World Cup.³⁶ The conference was significant in demonstrating that there was a clear recognition that unity had to move beyond the construction sector in the future to widen the campaign to be more effective in achieving decent work demands for all workers. At the same time, this alliance was formed too late to make a meaningful impact during the World Cup in South Africa.

Pillar 5: International Solidarity

At the international level, the outstanding success was achieved mainly in lobbying FIFA, the world football governing body, and in the resultant concessions unions managed to win from FIFA.³⁷

The campaign received substantial support from some European construction workers' unions, especially the Swedish Byggnads and the Swiss Unia, as well as from NGOs closely linked to trade unions, such as Swiss Labour Assistance (SLA), the Trade Union Solidarity Centre of Finland (SASK) and the Secretariat of International Trade Union Development Co-operation in Sweden (LO-TCO). The Swedish unions Byggnads, Elektrikerna and Målaresförbundet also made important contributions to this endeavour.³⁸

In fact, "Fair Games - Fair Play" was successful in bridging the North-South divide, and the division between standard and non-standard workers albeit, in a limited sense. With BWI as the centre of coordination, the unions "campaigned together and closed ranks. They focused on the same objectives, spoke the same language and applied a common strategy for a

³⁵ BWI. 2010. 'Evaluation of the Building & Wood Workers International Campaign for Decent Work Towards and Beyond 2010'. Unpublished.

³⁶ BWI. 2009. 'Declaration by the Building and Woodworkers International Multi-stakeholder Conference for Decent Work Towards and Beyond 2010'. 27 August

³⁷ Vasco Pedrina and Joachim Merz. 2011. 'The Trade Union Legacy of the 2010 World Cup: International Solidarity Revitalised'. In E. Cottle (ed) *South Africa's World Cup: A Legacy for Whom?*

³⁸ Eddie Cottle. 2009. '2010 World Cup and the construction sector: Campaign for Decent Work'. Campaign pamphlet, LRS and BWI. BWI. 2010. 'Evaluation of the BWI Campaign on Decent Work Towards and Beyond 2010'. Unpublished document, Johannesburg.

prolonged period of more than three years” and even conducted the trade union inspections of the World Cup together.³⁹

The European trade unions already mentioned also enhanced media exposure for the campaign and its demands through press releases, media dossiers and regular updates on websites provided important information about workers’ struggles in South Africa. Integral to the solidarity relationship was the common understanding of the need for new forms of organising and exchange visits helped to improve understanding of the different contexts between the North and South but at the same time showed that precarious employment was on the ascendancy and there much to learn from each other’s organisational renewal strategies.⁴⁰

Due to the successes of the campaign, including the outcome of the multi-stakeholder conference in 2009, BWI decided that it now, for the first time, had at its disposal a model campaign which built on the combined five strategic pillars: organising, research, negotiations, campaigning and international solidarity. At the same time, the campaign was able to produce a coherent and systematic critique of mega-sports events and in so doing, had an expressed social development message. BWI decided to “export” this model campaign to future mega-sports events with the Brazilian 2014 World Cup on the horizon.

On 22 May 2010, in Johannesburg, at the Union Stadium, Edison Bernardes, the president of Sindicato Solidariedade, the Construction and Furniture Workers’ Union officially represented the construction unions of Brazil and received the handover trophy symbolising the unity and solidarity of construction workers across the world.

Enter Brazil

The Brazilian Model for the 2014 FIFA World Cup™ is to give priority to private finance in the construction and remodelling of the stadiums through long-term concessions and eventually public private partnerships (PPPs).

FIFA Inspection Team Report, 2007⁴¹

The less public money is invested the better the world cup will be. This equation is guiding the project from the beginning. The government, at all levels, will only spend works that concern them. The biggest investment will come from private enterprises.

Ricardo Teixeira, President, Brazilian Football confederation, 2009⁴²

Quite contrary to FIFA and Teixeira, the estimated infrastructure outlay for the Brazil 2014 World Cup is calculated at US\$ 18bn, with 78% of the total spending coming from public funds. According to the Brazilian Ministry of Sports the overall economic impact will exceed

³⁹ Vasco Pedrina and Joachim Merz. 2011. ‘The Trade Union Legacy of the 2010 World Cup: International Solidarity Revitalised’

⁴⁰ *ibid*

⁴¹ FIFA. 2007. FIFA inspection team Bid inspection report.

⁴² Quoted in: Luiz Martins de Melo. ‘Experiences from World Cup 2010 in South Africa – first thoughts about implication for Brazil 2014’. Economics Institute, Federal University of Rio de Janeiro, IE/UFRJ, BRA.

US 100bn creating 332,000 permanent jobs (2009-2014) and 381,000 temporary jobs in 2014.⁴³

In a rather predictable fashion, the FIFA Inspection Report of 2007, grossly underestimated the cost for the World Cup stadia at US\$1.1 bn.⁴⁴ By 2013 the cost of the stadia had already increased by more than 335% reaching a whopping US\$3.68 bn.⁴⁵ About US\$6bn is foreseen in overall tax income to the state – a clear financial loss in terms of the US\$18bn investment made.

As the World Cup and the Olympics draw closer, Brazil's construction sector is set to move out of its unexpected slump demonstrated by its poor performance in achieving growth of 4.2% in 2011 and 2.2% in 2012 respectively.⁴⁶ The poor performance is related to the fact that by May 2012 only 25% of the transport projects had completed the bidding process⁴⁷; and by the end of the same month 41% of works for the World Cup had not yet started.⁴⁸ The delays contributed to the unemployment rate in Brazil which increased to 5.60% in February 2013.⁴⁹

As a result of these delays in commencing with construction the federal government had to change its procedures for approving projects with an “exceptionality status” created to increase the speed of the approval rate of urgent infrastructure projects for 2014⁵⁰. The construction sector is to complete the construction of 13 airports, 7 ports and 37 transport projects and the building or refurbishment of 12 stadiums for the 2014 World Cup.⁵¹

This context of the rapid mobilisation of state resources for the contracting of public infrastructure at the same time led to the rapid deployment of the reserve army of labour for this new founded expansion of capital growth. Civil construction employs 2.5 million formal workers in 2013 and estimates show that there are 1.5 million informal workers. Research conducted by Brazil's National Confederation of Industry (CNI) indicates that there is a lack of qualified workers for 89% of Brazil's construction companies although the vast majority of the workforce employed for the World Cup will be unskilled and semi-skilled workers.⁵²

⁴³ Ministry of Sport. 2010. '2014 World Cup in Brazil, Economic Impact'. 31 March 2010 PowerPoint presentation. <http://ebookbrowse.com/brazil-2014-world-cup-economic-impact-study-pdf-d262940604> (accessed 22 April 2013)

⁴⁴ FIFA. 2007. FIFA inspection team Bid inspection report.

⁴⁵ Reuters. 'Soccer-Brazil World Cup stadiums on track, but costs soar' <http://www.reuters.com/article/2012/04/03/soccer-world-brazil-idUSL2E8F2GG820120403> (accessed 20 April 2013)

⁴⁶ Market Research. 2013. Brazil Infrastructure Report Q1 2013. <http://www.marketresearch.com/Business-Monitor-International-v304/Brazil-Infrastructure-Q1-7226497/> (accessed 20 April 2013)

⁴⁷ Folha SP: <http://www1.folha.uol.com.br/esporte/1084662-copa-tem-so-25-de-obras-de-mobilidade-urbana-licitadas-diz-tcu.shtml> (accessed 20 April 2013)

⁴⁸ <http://copadomundo.uol.com.br/noticias/redacao/2012/05/23/41-das-obras-da-copa-do-mundo-de-2014-ainda-nao-comecaram-segundo-governo-federal.htm> (accessed 24 April 2013)

⁴⁹ <http://www.tradingeconomics.com/brazil/unemployment-rate> (accessed 20 April 2013)

⁵⁰ See <http://www.copa2014.gov.br/pt-br/noticia/comissao-do-senado-aprova-proposta-para-garantir-obras-da-copa-que-atrasarem>; and <http://oglobo.globo.com/esportes/fifa-volta-alertar-que-nao-permitira-novos-atrasos-nas-obras-da-copa-7883384>

⁵¹ Actually in Brazil there are 14 stadiums being built or refurbished, as there are two other private stadiums.

⁵² Nelza Oliveira. 2011. 'Brazil: Construction workers needed, no experience required'. *Infosurhoy.com*. http://infosurhoy.com/cocoon/saii/mobile/en_GB/features/saii/features/economy/2012/01/10/feature-02 (accessed 19 April 2013)

Since 2010, BWI has had strategic engagements with various partners, such as the ITUC and StreetNet in trying to elaborate a programme and gather a national body to prepare for the World Cup in Brazil.

Consequently, the pro-active launch on 1 April 2011 of the Building and Wood Workers' International (BWI) "Campaign for Decent Work Towards and Beyond 2014" in Brazil involved 17 trade unions, 6 federations and 2 confederations, far exceeding expectations on participation and three and a half years ahead of the 2014 World Cup.⁵³ In keeping with the campaign model developed in South Africa, BWI and the Brazilian unions also developed a campaign platform that resulted in a *Pauta Nacional* - a document where they achieved a historic consensus regarding the national demands for the construction sector in the country as a whole.⁵⁴ This was an outstanding achievement noting the ideological differences amongst the unions and the historic lack of cooperation and rivalry among them. A steering committee was initially established with 8 organisations⁵⁵ and later, all the unions formed part of a broader forum where they participate, consolidate and review the strategic plans of the campaign.

Similar to the South African situation, the launch took place against the backdrop of a strike wave and, for the first time since 2008, wages increased 10.22% in 2011, bringing the medium wage of civil construction workers to R\$ 1,398.80.⁵⁶

From February 2011 to April 2013, 25 strikes were identified of which 17 were wildcat in nature involving some 30 000 workers on the World Cup stadiums. The trade unions were directly involved in effectively negotiating and consolidating the gains of workers in all the strikes. Overall, the strike wave was a huge success as it won the improvement of wages and working conditions for Brazilian construction workers and bolstered trade union confidence.

The achievements, while varying somewhat on different worksites, included a 30-70% increase in food stamps, overtime payment increases between 60%-85% on weekdays and 100% on weekends, transport allowances, health insurance and project bonuses. These strikes were not only located at the World Cup work-sites but also spread to the rest of the construction sector. In 2012, it is estimated that more than 500 000 workers went on strike for better working conditions at the construction sites nationally. Around 70% of the strikes occurred in the states of the North, Northeast and the Midwest of the country, where wages are around 30% lower in comparison to the more developed regions.⁵⁷ As a result of these

⁵³ Trade Unions participating at the campaign: STICC-POA, SINTRACON-CTBA, SINTRAPAV-PR, SINDECREP-SP, SINDICATO SOLIDARIEDADE São Caetano, SINDPRES-SP, SINTRAPAV-SP, SINDECREP-RJ, SITRAICP-RJ, SINTRACONST-ES, SITRAMONTI-MG, STICMB-DF, SINTRAICCCM-MT, SINTEPAV-BA, SINTEPAV-CE, STICONTEST-AM, SINTRACOM-SBC
Federations at the state levels: FETICOM-SP, FETICOM RS, FETRACONSPAR, FETRACONMAG-ES, FETIEMT, FSCM-CUT,
Confederations: FENATRACOP, CONTICOM/CUT

⁵⁴ The trade union organizations in Brazil organize workers regarding specific economic sectors. The trade unions are linked to the city level while the federations refer to the different states of the country and must have at least 5 trade unions affiliated. The confederations must have at least 3 federations affiliated and are also linked to a defined sector but represent the workers at the national level.

⁵⁵ CONTICOM, FENATRACOP, SITRAICP-RJ, SINTRAPAV-PR, FETRACONMAG-ES, SINTEPAV-BA, FETICOM-SP and Sindicato Solidariedade.

⁵⁶ Agnaldo Brito. 2011. 'Labor costs in construction skyrockets'. *Folha.com*, 19 October
<http://www1.folha.uol.com.br/internacional/en/finance/993049-labor-costs-in-construction-skyrockets.shtml>

⁵⁷ Information from the report "Evaluation of Strikes in the construction sector in 2012" produced by the Brazilian National Federation of Heavy Construction Workers (FENATRACOP).

movements, workers were able to gain an increase in wages up to 21% and improved benefits.⁵⁸

Due to the extreme lateness of the World Cup infrastructure projects, companies are placing increased pressure on workers to speed up production and delivery of the projects with two fatal accidents already having occurred.⁵⁹ The increases in the rate of exploitation through increases in the pace of work, overtime and productivity agreements, mean that the workers will still have to meet the completion schedules of the infrastructure and will not receive the full remuneration since there will actually be a decrease in the length of their employment. Meanwhile, the construction companies will reap the mega-profits for the full price tag of the project at highly inflated prices despite the shorter period of production of the World Cup infrastructure. It is here, as in South Africa, where the multiplier effect simply fails to translate investment made into jobs created and income redistribution as the vast surplus of public funds is extracted into wasteful private accumulation.

While the campaign in Brazil started pro-actively with an existing campaign model to learn from, it has as yet not registered improvements beyond that developed in South Africa in terms of the five strategic pillars; organising, research, and negotiating, campaigning, and international solidarity.

The geography of Brazil, as a very large country, including that of the huge and diverse number of trade unions involved created a level of coordination and political complexity that did not arise in the campaign in South Africa.

BWI estimated, through their affiliates, that 15,000 workers joined the trade unions as a result of the campaign. While a national set of demands was agreed to by the trade unions nationally and delivered to the federal government and employers' associations, the unions could miss the opportunity to develop a national strike and to consolidate a national Collective Bargaining Agreement where they could address the national inequities as expressed by workers themselves by using the leverage provided by the World Cup to improve workers' wages and working conditions.

While the mainstream media was effectively used to promote sympathy for workers' demands and strike action, there was reluctance on the part of the media to provide sufficient attention to trade union issues on a national level.

Despite the strike wave, the lack of mainstream coverage on workers' issues, especially at an international level meant that FIFA did not feel sufficiently pressurised in its meeting with BWI and the ITUC on November 2011 to produce a more positive outcome on decent work in Brazil. BWI and the ITUC however, tactically used this opportunity in the mainstream media to pressure FIFA on the awarding of the World Cup 2022 to Qatar where migrant workers were being subjected to 'modern slavery'.⁶⁰ By early 2013, The Unified Communist Party of Nepal Ambassador to Qatar Maya Kumari Sharma publically stated Qatar was like

⁵⁸ This reference is based on the result of the negotiations in Castela stadium in April of 2012

⁵⁹ BWI. 2012. Press Release: 'First death of a construction worker at the 2014 World Cup preparations.' 21 June 2012 <http://www.bwint.org/default.asp?index=4240&Language=EN> , Callum Fox. 2013. 'Worker dies in stadium collapse at São Paulo'. *Sambafoot*. 16 April 2013 http://www.sambafoot.com/en/news/45719_worker_dies_in_stadium_collapse_in_sao_paulo.html

⁶⁰ Reuters. 2011. 'Unions warn FIFA of "modern slavery" in Qatar'. 18 November 2011. <http://www.sbs.com.au/news/article/1605989/Unions-warn-FIFA-of-modern-slavery-in-Qatar>

an “open jail”.⁶¹ The Nepalese government responded by drafting a report confirming the use of forced Nepalese migrant labour in Qatar, confirmed by the ILO. The Guardian newspaper report, “Revealed: Qatar’s World Cup ‘slaves’”⁶² ahead of the FIFA executive meeting was followed by another report by ITUC that an additional 4,000 workers were projected to die in Qatar by 2022.⁶³ FIFA’s meeting on 3 October 2013 received a “Red card for FIFA” protest organised by BWI and Unia at FIFA’s Zürich headquarters which also attracted widespread media coverage.⁶⁴

The negative publicity forced Sepp Blatter to admit that while, ‘Fifa cannot interfere with the labour rights of any country, but we cannot ignore them’. FIFA stated: “Together, I think, we’re going to find a solution to improve, or maybe to change, the situation that for sure, for everybody, is unacceptable”.⁶⁵ The Qatar government subsequently confirmed it was conducting a full investigation into the allegations of forced migrant labour.⁶⁶ With the consistent campaigning by BWI and ITUC and with nine years to go before the Qatar World Cup, there can be little doubt that basic conditions for migrant workers are set to improve.

Conclusion

The FIFA World Cup is a mega-sporting event that is underpinned by mega-public subsidies which drive unsustainable overconsumption based upon the short-term imperatives of private capital accumulation at the expense of society as a whole, workers and the environment.

Key to the delivery of the mega-sports spectacle is the rapid production of infrastructure, manufacture and services which is made possible through the mobilisation of the mass of the reserve army of labour into a short-term wage relationship. Once the World Cup has come to an end in the host country the large majority of the reserve army is disposed of and, as was shown in the case of South Africa, and as will soon to be witnessed in Brazil, there is an almost immediate bloodbath of the loss of hundreds and thousands of jobs. This while FIFA and its commercial partners, the banks, local and international construction and engineering firms, have secured for themselves and their shareholders a guaranteed rate of mega-profits.

Trade unions in both South Africa and Brazil have shown that mega-sports events can be used as an opportunity for securing the long-term strategic goals of trade union revitalisation and the building of unity amongst workers and trade unions themselves.

⁶¹ Himalayan News Service. 2013. ‘Envoy Sharma in soup’. 10 May

<http://www.thehimalayantimes.com/fullNews.php?headline=Envoy+Sharma+in+soup+&NewsID=375975>

⁶² Pete Pattison. 2013. ‘Revealed: Qatar’s World Cup ‘slaves’’. *The Guardian*. 25 September.

<http://www.theguardian.com/world/2013/sep/25/revealed-qatars-world-cup-slaves>

⁶³ Robert Booth. 2013. Qatar World Cup construction ‘will leave 4,000 migrant workers dead’. *The Guardian*. 26 September. <http://www.theguardian.com/global-development/2013/sep/26/qatar-world-cup-migrant-workers-dead>

⁶⁴ Brian Homewood. 2013. ‘Trade unionists protest outside FIFA over Qatar workers’. *Reuters*. 3 October.

<http://uk.reuters.com/article/2013/10/03/uk-soccer-fifa-protest-idUKBRE9920LK20131003>

⁶⁵ AFP. 2013. Fifa boss defensive over Qatar slavery claims. *M&G*. 4 October <http://mg.co.za/article/2013-10-04-blatter-defensive-over-qatar-slavery-claims>

⁶⁶ Laura Smith-Spark, Alex Thomas and Leone Lakhani. 2013. ‘Qatar defends 2022 World Cup project amid migrant worker abuse claims’. *CNN*. 3 October. <http://edition.cnn.com/2013/10/03/world/meast/qatar-workers-rights/index.html>

Through the bold leadership and foresight of the Building and Wood Workers' International (BWI) trade unions are beginning to reposition themselves as the most relevant social organisation of the working class to combat the excesses of capitalist globalisation.

Despite the advances and shortcomings of the current decent work campaign they remain a valuable source of inspiration of what is possible when trade unions make the political and organisational leap to provide leadership and organisation to the working class within a very complex web of the mega-sports accumulation complex.

Indeed, in the context of increased global austerity measures taken by governments worldwide, and with BWI and the ITUC already preparing for the World Cup in Russia in 2018⁶⁷ and Qatar in 2022⁶⁸ where even bigger challenges of coordination and organisational challenges lie, it becomes even more crucial to start the counter-discourse to question the social value of the mega-sports accumulation complex, the wasteful luxury consumption at its foundation and vast extraction of mega-public subsidies that flow as a matter of course to private capital.

⁶⁷ BWI. 2012. 'Russian Building Workers' Union makes the first step to WC 2018 Decent Work Campaign', 15 December 2012 <http://www.bwint.org/default.asp?index=4605> (accessed 24 April 2013)

⁶⁸ ITUC. 'International unions call on FIFA to rerun the vote for the Qatar 2022 World Cup', 17 April 2013 <http://www.ituc-csi.org/international-unions-call-on-fifa> (accessed 24 April 2013)