

*International Olympic  
Committee  
(IOC)*



*Commercialization of the  
Olympic Games — Balancing  
Profit, Accessibility, and  
Olympic Values*

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## **I. INTRODUCTION**

The International Olympic Committee (IOC) is the governing body responsible for overseeing the global Olympic Movement and organizing the Olympic Games, the world's most prominent international sporting event. Founded in 1894 by Pierre de Coubertin, the IOC was created with the objective of reviving the spirit of the ancient Olympic Games and promoting peace and international cooperation through athletic competition. The first modern Olympic Games were held in Athens, Greece in 1896, marking the beginning of the modern Olympic era.

The IOC operates under the Olympic Charter, which establishes the fundamental principles, rules, and governance structure of the Olympic Movement. According to the Olympic Charter, the Olympic Movement aims to build a better world through sport by promoting the values of excellence, friendship, and respect. These values form the philosophical foundation of Olympism, which seeks to combine sport, culture, and education in order to promote mutual understanding and peaceful cooperation among nations.

The IOC is composed of approximately 100 individual members, elected by the organization itself, who represent the Olympic Movement rather than their respective national governments. The committee works closely with three major pillars of the Olympic Movement:

- National Olympic Committees (NOCs)
- International Sports Federations (IFs)
- Organizing Committees for the Olympic Games (OCOGs)

Through this structure, the IOC coordinates the participation of over 200 National Olympic Committees worldwide, making the Olympic Movement one of the largest international cooperative institutions.

The IOC headquarters are located in Lausanne, Switzerland, where it oversees the planning and execution of both the Summer and Winter Olympic Games. These events occur every four years, with the Summer and Winter Games alternating every two years.

In addition to organizing the Olympic Games, the IOC manages the financial and commercial structure of the Olympic Movement. This includes negotiating broadcasting rights, overseeing corporate sponsorship programs, managing licensing agreements, and distributing revenue among participating stakeholders. Revenue generated through these activities funds athlete development programs, supports international sporting federations, and helps host cities organize the Games.

Over the past several decades, the Olympic Games have evolved from relatively modest sporting events into one of the largest global mega-events, attracting billions of viewers and generating billions of dollars in revenue. This transformation has sparked an ongoing debate regarding the role of commercialization in the Olympic Movement. While commercial partnerships have allowed the Games to expand and reach global audiences, critics argue that increasing commercialization may threaten the fundamental principles of Olympism by prioritizing financial profit over fairness, accessibility, and athlete welfare.

The Olympic Games represent one of the most widely viewed global events, bringing together athletes from nearly every nation to compete in a spirit of peaceful competition. However, the modern Olympic Games have evolved into a highly complex global enterprise involving extensive economic investment and commercial activity.

Today, the Olympic Games generate revenue through multiple sources, including:

- Broadcasting rights
- Corporate sponsorship agreements
- Ticket sales and event licensing
- Tourism and hospitality industries
- Global marketing and merchandise sales

According to the **International Olympic Committee**, broadcasting rights account for **more than 70 percent of total Olympic revenue**, making them the most significant source of funding for the Games.

For example, the American broadcasting network NBCUniversal signed a contract valued at approximately **\$7.75 billion** for the rights to broadcast Olympic Games in the United States

until the year 2032. Similar agreements exist with broadcasting companies across Europe, Asia, and other regions.

Corporate sponsorship has also become a central component of Olympic financing. Through the **Olympic Partner Programme (TOP)**, multinational corporations such as CocaCola, Visa, and Samsung contribute substantial financial resources in exchange for exclusive marketing rights associated with the Olympic brand.

While these commercial partnerships provide essential financial support for the organization of the Olympic Games, they have also generated significant debate regarding their potential impact on the Olympic spirit.

Critics argue that excessive commercialization may undermine the fundamental principles of Olympism by prioritizing corporate interests and profit over athlete welfare, accessibility, and international equality.

Recognizing the broader social role of sport, the United Nations has incorporated sport into its global development agenda. In particular, the United Nations Office on Sport for Development and Peace (UNOSDP), which operated from 2001 to 2017, promoted the use of sport as a tool for achieving development goals and fostering peace.

Furthermore, sport has been recognized as an important contributor to the 2030 Agenda for Sustainable Development, adopted by the UN General Assembly in 2015. Sport is considered a means of advancing several Sustainable Development Goals, particularly those related to education, health, gender equality, and social inclusion.

In this context, the increasing commercialization of the Olympic Games raises important questions regarding the balance between economic growth and social responsibility within international sport.

## II. HISTORY OF THE PROBLEM

### **Early Olympic Movement (1896–1960)**

In the early decades of the modern Olympic Games, commercialization was relatively limited. The Games were financed primarily through government support, ticket sales, and small-scale private donations. Athletes were expected to compete as amateurs, meaning they were not permitted to receive financial compensation for their participation.

The concept of amateurism was considered essential to maintaining the purity and fairness of the competition. However, as the popularity of the Olympic Games grew, so did the financial demands associated with organizing the event.

### **Emergence of Television and Media Rights**

The commercialization of the Olympic Games began to accelerate during the mid-twentieth century with the expansion of television broadcasting. The **1960 Rome Olympics** were the first Games to be widely broadcast internationally, marking a major turning point in Olympic media coverage.

Television networks quickly recognized the enormous audience potential of the Olympic Games. As a result, broadcasting rights became increasingly valuable, generating significant revenue for the IOC and host cities.

### **The 1984 Los Angeles Model**

A major transformation in Olympic financing occurred during the **1984 Summer Olympics in Los Angeles**. Unlike previous Olympic Games, which relied heavily on government funding, the Los Angeles organizing committee adopted a **private financing model** based primarily on corporate sponsorship and broadcasting revenue.

This approach proved highly successful. The Los Angeles Olympics generated a **profit of approximately \$250 million**, demonstrating that large-scale sporting events could be financially viable through commercial partnerships.

The success of the Los Angeles model encouraged the IOC to expand corporate sponsorship opportunities, ultimately leading to the creation of the TOP Programme.

### III. CURRENT SITUATION

Today, the Olympic Games operate within a global economic system that involves international corporations, media companies, national governments, and sports organizations.

Between **2017 and 2021**, the IOC generated approximately **\$7.6 billion in total revenue**. This revenue is distributed among various stakeholders within the Olympic Movement, including:

- National Olympic Committees
- International sports federations
- Athlete development programs
- Host city organizing committees

However, the increasing scale of the Olympic Games has also resulted in dramatic increases in hosting costs.

Recent examples include:

- 2008 Summer Olympics in Beijing — approximately **\$40 billion**
- 2016 Summer Olympics in Rio de Janeiro — approximately **\$13.1 billion**
- 2024 Summer Olympics in Paris — estimated **\$9 billion**
- 2028 Summer Olympics in Los Angeles — projected **\$7–8 billion**

These rising costs have created significant challenges for cities interested in hosting the Olympic Games.

## IV. UN ACTIONS

Although the Olympic Games are primarily organized by the **International Olympic Committee (IOC)**, the **United Nations** has played a significant role in recognizing sport as a tool for international cooperation, peacebuilding, and sustainable development. Over the past several decades, the UN General Assembly and several UN agencies have adopted resolutions and initiatives promoting the role of sport—including the Olympic Games—in advancing global development goals.

### **United Nations Recognition of the Olympic Ideal**

Since the early 1990s, the United Nations General Assembly has adopted a series of resolutions recognizing the importance of sport and the Olympic ideal in promoting peace and mutual understanding. One of the most significant examples is **United Nations General Assembly Resolution 48/11**, adopted in 1993, which revived the ancient Olympic tradition of the **Olympic Truce**.

The Olympic Truce calls upon all nations to cease hostilities during the Olympic Games in order to allow athletes and spectators to travel safely and participate peacefully. This initiative symbolically reinforces the Olympic principle that sport can serve as a bridge between cultures and nations.

Since then, the United Nations General Assembly has repeatedly reaffirmed this principle through resolutions supporting the Olympic Movement.

For instance, **United Nations General Assembly Resolution 76/13**, adopted in 2021, titled *“Building a peaceful and better world through sport and the Olympic ideal,”* emphasized the role of sport in promoting international cooperation, social inclusion, and sustainable development.

The resolution also encourages Member States to use sport as a means of advancing education, health, gender equality, and youth development.

## **United Nations Office on Sport for Development and Peace**

In 2001, the United Nations established the **United Nations Office on Sport for Development and Peace (UNOSDP)** in order to promote the use of sport as a tool for achieving international development objectives.

The UNOSDP worked closely with governments, sports organizations, and the Olympic Movement to promote initiatives related to:

- Youth empowerment
- Gender equality in sport
- Education through physical activity
- Conflict prevention and peacebuilding

Although the office was officially closed in 2017, its responsibilities were integrated into other UN development frameworks, including programs implemented by the **United Nations Educational, Scientific and Cultural Organization (UNESCO)** and the **United Nations Development Programme (UNDP)**.

## **Sport and the Sustainable Development Goals**

Sport has also been formally recognized within the **2030 Agenda for Sustainable Development**, adopted by the United Nations in 2015.

The **Sustainable Development Goals (SDGs)** acknowledge sport as an important contributor to several development objectives, including:

- **SDG 3 – Good Health and Well-being • SDG 4 – Quality Education • SDG 5 – Gender Equality • SDG 10 – Reduced Inequalities • SDG 16 – Peace, Justice and Strong Institutions**

The Olympic Movement frequently collaborates with UN agencies in programs that promote sport as a means of improving social inclusion, youth education, and international cooperation.

## **IOC–United Nations Cooperation**

The relationship between the Olympic Movement and the United Nations has strengthened significantly over the past decade. In **2009**, the IOC was granted **Permanent Observer Status** at the United Nations General Assembly, allowing the organization to participate in UN discussions and contribute to global policy debates related to sport, development, and peace.

This partnership has facilitated increased collaboration between the IOC and UN institutions on projects related to:

- Sustainable sports infrastructure
- Youth development through sport
- Gender equality in athletics
- Anti-discrimination and inclusion policies

Furthermore, the IOC has incorporated several elements of the UN Sustainable Development Agenda into its own strategic framework, particularly through reforms such as **Olympic Agenda 2020** and **Olympic Agenda 2020+5**, which emphasize sustainability, transparency, and social responsibility in the organization of the Olympic Games.

## V. POSSIBLE SOLUTIONS

In addressing the growing commercialization of the Olympic Games, delegates may consider a variety of policy approaches aimed at balancing financial sustainability with the preservation of Olympic principles.

### **Establishing Guidelines for Corporate Sponsorship**

Corporate partnerships provide essential financial support for the organization of the Olympic Games. However, some stakeholders have expressed concerns that excessive commercial influence may affect the integrity of the event.

Delegates may therefore consider establishing **international guidelines regulating corporate sponsorship within the Olympic Movement**. Possible measures could include:

- Establishing ethical standards for Olympic sponsors
- Limiting excessive commercial branding within Olympic venues
- Ensuring that sponsorship agreements remain consistent with Olympic values

Such measures could help maintain the balance between financial support and the preservation of the Olympic spirit.

### **Encouraging Financial Sustainability in Hosting**

The increasing cost of hosting the Olympic Games has discouraged some cities from submitting bids. As a result, delegates may explore policies aimed at promoting financially sustainable hosting models.

Possible approaches include:

- Prioritizing the use of existing sports infrastructure
- Encouraging temporary or modular venues
- Increasing financial transparency in Olympic budgeting

These measures could reduce financial risks while maintaining the global appeal of the Olympic Games.

### **Expanding Support for Developing Sporting Systems**

Another potential policy option involves expanding international support for sports development in countries with limited financial resources.

Funding programs supported by Olympic revenue could be directed toward:

- Athlete training and development programs
- Youth sports initiatives
- Construction of basic sports facilities

Such initiatives could promote more equitable participation in international sporting competitions.

### **Rotational Hosting Models**

Delegates may also consider proposals for **rotational hosting systems**, in which the Olympic Games are organized among a limited number of cities that already possess adequate infrastructure.

Cities such as **Los Angeles, Paris, and Tokyo** have been discussed as potential candidates for such systems due to their existing sports facilities and organizational experience.

This approach could significantly reduce costs while maintaining the international visibility of the Olympic Games.

## VI. CASE STUDIES

The ongoing debate surrounding the commercialization of the Olympic Games has been shaped by the experiences of various host countries and participating nations. These examples illustrate both the opportunities and challenges associated with the increasing economic scale of the Olympic Movement. By examining recent Olympic Games, delegates may better understand the diverse perspectives held by Member States regarding the balance between financial sustainability and the preservation of Olympic values.

### **Beijing 2008 – Large-Scale Investment and Global Visibility**

The **2008 Summer Olympics**, hosted in **Beijing, China**, represented one of the most extensive Olympic infrastructure projects in modern history. China invested an estimated **\$40 billion** in the preparation and organization of the Games, including major transportation improvements and the construction of new sporting venues.

Among the most notable projects was the **Beijing National Stadium**, commonly known as the “Bird’s Nest,” which became an iconic symbol of the Games.

From an economic perspective, the Beijing Olympics attracted record levels of international broadcasting agreements and corporate sponsorships. These partnerships contributed significantly to the global visibility of the event and demonstrated the economic potential of the Olympic Games.

China generally supports the continued development of commercial partnerships within the Olympic Movement, viewing the Games as an opportunity to promote international cooperation, economic exchange, and global cultural engagement.

## **Rio de Janeiro 2016 – Economic and Social Considerations**

The **2016 Summer Olympics**, held in **Rio de Janeiro, Brazil**, represented the first Olympic Games hosted in South America.

Brazil invested approximately **\$13.1 billion** in preparation for the Games, including the construction of sports facilities, improvements to public transportation systems, and the development of the Olympic Village.

While the event generated substantial international attention and tourism, the Games were organized during a period of economic uncertainty within Brazil. In the years following the Olympics, several venues experienced limited long-term utilization, which led to discussions regarding the long-term economic sustainability of hosting large international sporting events.

As a result of these experiences, Brazil has supported proposals aimed at reducing financial risks for host nations and increasing the economic sustainability of Olympic organization.

## **Paris 2024 – Sustainability and Responsible Hosting**

The **2024 Summer Olympics**, scheduled to take place in **Paris, France**, aim to demonstrate a more sustainable and cost-efficient approach to hosting the Olympic Games.

Approximately **95 percent of Olympic venues will consist of existing or temporary facilities**, significantly reducing construction requirements and associated costs. The organizing committee has also emphasized environmental sustainability, with initiatives designed to reduce carbon emissions and promote environmentally responsible event management.

France supports a balanced model in which commercial partnerships continue to provide financial support for the Games while ensuring that environmental sustainability and social responsibility remain central priorities.

## **Los Angeles 2028 – Private Sector Collaboration**

The **2028 Summer Olympics**, scheduled to be held in **Los Angeles, United States**, are expected to follow a model that emphasizes collaboration between public institutions and private sector partners.

Because Los Angeles already possesses extensive sports infrastructure, the organizing committee intends to utilize existing facilities rather than constructing large numbers of new venues. This approach is expected to significantly reduce overall organizational costs.

The United States traditionally supports the commercialization of the Olympic Games due to the substantial economic benefits generated through broadcasting rights and corporate partnerships.

## **Participation of Developing Nations**

While the Olympic Games are intended to promote global participation, many countries with **developing or emerging economies** face challenges related to sports infrastructure, athlete training resources, and financial investment in competitive programs.

Countries such as **Kenya, Ethiopia, and Nigeria** have produced internationally recognized athletes despite limited access to large-scale sports infrastructure.

Similarly, countries including **Bangladesh, India, and South Africa** have emphasized the importance of ensuring that the Olympic Movement remains accessible and inclusive for nations with varying levels of economic capacity.

These countries frequently support initiatives that aim to improve global access to sports development programs and reduce financial barriers to Olympic participation.

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