

CHAPTER 2: GLOBALIZATION, ETHICS, AND THE INTERNATIONAL AND OLYMPIC SPORT INDUSTRY SEGMENTS

I. True / False questions

1. True or False: According to the International Olympic Committee, the purpose of the Olympic movement is to create international goodwill through sport and "to contribute to the creation of superior athletic competition by promoting youth sport."

Answer: False

2. True or False; The FIFA World Cup for men was established in 1930 and has been played continuously every four years except in 1942 and 1946 due to World War II. Currently, there are 209 national associations that are recognized by FIFA as being eligible to compete in the World Cup, which consists of a qualification phase and the month-long tournament known as the World Cup Finals.

Answer: True

3. True or False: The United States Olympic Committee empowers national governing bodies in each sport to focus on preparing athletes for Olympic competition.

Answer: True

4. True or False: Olympic marketing revenue reached \$866 billion for the period of 2005-9, with broadcast revenues for the 2010 Winter Games and 2012 Summer Games totaling \$300.5 billion.

Answer: False

5. True or False: Current members of The Olympic Partners (TOP), the IOC's corporate sponsorship group, include McDonald's, Coca-Cola, Panasonic, General Electric, Dow, Atos, Acer, Omega, Procter & Gamble, Visa, and Samsung. Each of the 11 partners pays upwards of \$1 million in cash and value-in-kind for a four-year sponsorship.

Answer: False

6. True or False: The International Olympic Committee (IOC) has had to fight to deter and to detect the use of illegal performance-enhancing substances, and, in the case of the host bidding process, deal with an ugly scandal involving bribes to IOC members to win their favor in the voting rounds.

Answer: True

7. True or False: Arguments for the activist approach toward social responsibility of organizations include that it is management's responsibility to earn profits for owners (stockholders), that potential conflicts of interest occur when managers must meet profit goals and simultaneously enhance social welfare, and that businesses lack the expertise to manage social problems.

Answer: False

8. True or False: To understand more fully the effects of an Olympic Games on a city, region, and nation, the International Olympic Committee commissions an Olympic Games Impact (OGI) Study that approximates an environmental impact statement. All cities that contemplate hosting an Olympic Games must participate in the OGI Study. The IOC understands that one of its most important legacies is to bequeath to the host cities and their citizens a heritage of undeniable improvement over conditions that preceded those cities' hosting of the Olympic Games.

Answer: True

9. True or False: There are numerous examples from sport organizations that underscore the value of organizational diversity, including the story of Jackie Robinson's breaking of the color barrier in the National Football League, Texas Western University's use of five African-American starters in winning their 1996 national championship game against the all-white squad from the University of Kentucky, and Billie-Jean King's victory over Bobby Riggs in the ballyhooed "Battle of the Sexes" tennis match in 1944.

Answer: False

10. True or False: Although there were no women competitors at the inaugural Olympic Games in Athens in 1896, the number and percentage of female Olympic athletes have steadily increased, especially in recent decades.

Answer: True

II. Multiple-choice questions

1. The International Olympic Committee certifies one of these per country, which are supposed to be independent of governments. Although the IOC states that the Olympics are open to the youth of the world, without the certification of this type of organization, no athlete can compete in the Olympics.

- a. IF
- b. NGB
- c. NOC
- d. OCOG

Answer: c

2. This type of organization, such as FIBA (for basketball), ISAF (for sailing), and FIL (for luge), sets the rules for and organizes and holds the competitions at the Olympics:

- a. IF
- b. NGB
- c. NOC
- d. OCOG

Answer: a

3. One of the following is not among the most important decisions to be voted on by the IOC's rank-and-file members:

- a. Determine the host cities for upcoming Olympic Games and Olympic Winter Games.
- b. Elect the IOC president.
- c. Include or exclude sports on the program of future Olympic Games or Olympic Winter Games.
- d. Salaries of IOC members.

Answer: d

4. Some sports have regional sub-divisional organizations known as confederations that are based on geography. Which of the following correctly lists the six such soccer federations?

- a. AFC, CAF, CONCACAF, CONMEBOL, OFC, UEFA
- b. AFC, CAF, FIFA, OFC, UEFA, USADA
- c. AFC, CAF, CONCACAF, CONMEBOL, UEFA, USADA
- d. AFC, CAF, CONCACAF, CONMEBOL, OFC, WADA

Answer: a

5. In the case of FIFA awarding the 2010 World Cup Finals to South Africa, the primary motivation included each of the following except:

- a. Since 17 of 18 editions of the World Cup Finals had been played in either Europe or the Americas, it was important to FIFA that the sport played the world over be seen as being capable of being hosted elsewhere.
- b. The Confederation of African Football comprises more than a quarter of FIFA's membership (54 National Federations).
- c. The fact that the 2010 World Cup generated \$3.7 billion in revenue, resulting in net income of \$631 million for the 2007-10 period, swelling FIFA's already substantial reserves to \$1.28 billion.
- d. The fact that no other country expressed interest in hosting the competition.

Answer: d

6. Which two sports were recently dropped from the program of the Olympic Games?

- a. Baseball and golf
- b. Baseball and softball
- c. Baseball and lacrosse
- d. Lacrosse and softball

Answer: b

7. Many athletes have run afoul of drug testing investigations and suffered the consequences. Which describes the story of Canadian sprinter Ben Johnson?

- a. Won gold in the 100-meters event at the 1988 Olympic Games in Seoul with a then-world record time of 9.79 seconds in the finals; disqualified three days later after testing positive for the banned substance stanozolol.
- b. Won gold in the 100-meters event at the 1992 Olympic Games in Barcelona; had set the then-world record time of 9.72 seconds in the semi-finals; disqualified three days later after testing positive for the banned substance stanozolol.
- c. Won gold in the 200-meters event at the 2008 Olympic Games in Beijing; disqualified three days later after testing positive for the banned substance stanozolol.
- d. Won silver in the 100-meters event at the 1988 Olympic Games in Seoul; disqualified three days later after testing positive for the banned substance stanozolol.

Answer: a

8. Which of the following is not an argument in favor of the activist approach to social responsibility of organizations?

- a. Businesses are members of society and have responsibilities to other stakeholders, such as employees, customers, suppliers, distributors, creditors, government, unions, special interest groups, and the general public.
- b. Businesses have the technical, financial, and managerial resources to help solve social problems.
- c. Businesses lack expertise to manage social problems.

- d. Government intervention is less likely when businesses take the initiative in addressing social problems.

Answer: c

9. The degree to which a business advances societal versus economic objectives depends to a great extent on each of the following factors except:

- a. An interest in gaining positive publicity.
- b. The organization's size.
- c. The nature of competition in the industry.
- d. The costs of pursuing an activity versus the consequences of not doing so.

Answer: a

10. Even as it is the most international of sports, soccer still face challenges in issues relating to diversity. At the 2012 Union of European Football Associations (UEFA) European Football Championship, each of the following except one occurred to demonstrate this problem. Which did not occur at UEFA 2012?

- a. Czech Republic player Theodor Gebre Selassie told reporters he noticed racist chants directed at him during a match against Russia.
- b. FIFA fined Croatia \$27,000 due to racist abuse directed at England player Emile Heskey during a match in the Croatian capital city of Zagreb.
- c. Croatian fans heaped abuse on Italy's Mario Balotelli, who is black, at a game in Posnan, Poland, making monkey noises and displaying right-wing nationalist flags during a match.
- d. UEFA asked host city officials in Poland and Ukraine to provide more police to dissuade similar actions.

Answer: b

III. Essay questions

- 1. Explain the two view of social responsibility, and using the example from the "Epilogue" section of the chapter, outline which of the two views you would advise both the USOC and Ralph Lauren to adopt in dealing with the issues presented.

2. Identify the levels of governance in Olympic sport and explain the specific responsibilities of specific organizations at each level.
3. In examining the FIFA World Cup Finals, the Olympic Games, and the Winter Olympic Games, explain which event has the strongest brand and why it commands the greatest amount of interest from fans and sponsors.
4. Identify and explain the core elements of "Olympism," and explain how these elements impact how related organizations review and determine which sports are included in the Olympic program.
5. In an effort to address issues of fan racism, identify and explain how UEFA would employ the guidelines for managing diversity.