

Sports activities and Economic Development of Developing countries like India

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Introduction

The use of sports markets to explore questions of economic interest has a long history. Over the past two decades there has been increased competition among cities, regions and countries to host mega sporting events. Therefore Government and other proponents of major sporting events usually seek to back up their claims of the event providing an economic boost by commissioning an economic impact statement.

Hosting a sport event has revealed a number of benefits in our communities and of those benefits, some reasons like increasing community visibility, positive psychic income, and enhancing community image are all common and acceptable postulations. Economic impact in sporting events can be defined as the net change in an economy resulting from a sport event and the change is caused by activity involving the acquisition, operation, development, and use of sport facilities and services which in turn generate visitors' spending, public spending, employment opportunities, and tax revenue. In study of economic impact Expenditures can be categorized as direct, indirect, and induced effects. For example direct expenditure is the investment needed to meet the increased demand of visitors for goods and services. Indirect effects are the ripple effect of additional rounds of re-circulating the initial spectators' dollars. Induced effects are the increase in employment and household income that result from the economic activity fueled by the direct and indirect effects.

This topic includes a number of diverse issues relating to sport's role in economic development in developing countries. Four main areas that present the limitations and the potential of sport to contribute to economic development are discussed in dedicated sub-sections:

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- Underdevelopment of sport and 'muscle drain' in developing countries
- Developing local markets through sport by means of hosting local sports events, producing low-cost and affordable sporting goods and through athletes' remittances

- Building skills for employment through sport
- Sports and productivity

Underdevelopment of sport in developing countries

Research shows that investment into sport in developing countries is much less than in developed countries, as sport development is usually not a top priority in the national budget or in the education system of most developing countries.

Studies show that a ‘vicious cycle’ is emerging as a result of the underdevelopment of sport in developing countries, in which lower investment in sport decreases the potential for athletes to build their talent. It also means that there are fewer prospects for athletes to continue their sport training or pursue professional sport careers in a developing country. In turn, the lack of talent-building opportunities in a developing country leads to less return on the little investment put into local talent, further debilitating local sport development structures and sport career pathways. Less developed countries are unable to utilise the talent of their strong performers and/or tend to lose them to more powerful nations in global sport. Sport regulated by global processes can thus contribute to the underdevelopment of a developing country’s talent. ‘Muscle drain’ has been deemed comparable to ‘brain drain’ – athletes from developing countries supply the industrialised countries’ markets with talent. For example, in football, the high transfer rates that European players can demand from clubs have created a much cheaper alternative – importing players from developing countries.

Developing local markets through sport

Studies on a number of local sports events show that they have the capacity to attract large numbers of people, initially from the local and surrounding areas where sports events take place and progressively, from further away. Local industries and a local sports sector may emerge should the events generate enough interest as to attract people willing to attend the event and purchase products and services associated with the event. At the local level, a ‘virtuous cycle’ can be created, in which sports-related services are provided, creating jobs and opportunities to upgrade skills and produce further services and products – a positive ‘spill-over’ effect from local sports events.

A number of local races in Peru, such as the Inca Marathon, the Andes International Marathon and the Huancayo Race are reported to have created small local industries such as

crafts industries for manufacturing shoes for the runners from the Mantaro valley (in the case of the Huancayo Race). Furthermore, sports tourists to these events can participate in other sports activities that make use of the Peruvian landscape and environment, such as skiing, rock-climbing, river-rafting and so on.

For example, some research indicates that Kenyan runners' earnings from winning competitions from the 'European running circuit' in the town of Eldoret has helped to develop the local economy and funnel investment into domestic sectors that are the lifeline of the local economy. In the case of Eldoret, the local economy is largely based on agricultural activities. Many Kenyan athletes from Eldoret have invested their earnings into purchasing a farm and/or starting a local business. In addition, many athletes have invested back into running by establishing training and fitness centres for further developing local sport talent.

Sport as a means to build skills for employability

Some research suggests that being involved in sport can equip young people with specific 'core' and 'soft' skills that may raise their level of employability. 'Core' skills include those that are directly associated with coaching and sport management. 'Soft' skills include the skills and values that are learned through sport, such as: cooperation, leadership, respect for others, knowing how to win and lose, knowing how to manage competition, etc. However, it is advised to exercise caution when taking this view of sport's contribution to economic development through job skills development because employment opportunities must exist for these skills to be relevant and of practical use. Research shows that there is a need to identify new jobs associated with sport and to conduct an inventory of all job categories in developing countries that can use sports skills or those derived from sport.

Sports and productivity

Sports has been proven to improve a person's immune system and ensure fitness. It is natural for anyone to fall sick thereby causing a dip in productivity. By playing sports regularly, the physical health of a human gets better and makes him less prone to sickness. Playing your favourite sport not only enhances your physical health but creates a positive impact on your mental health as well. When your physical health improves, your mental health eventually sees some betterment. Also, playing sports acts as great stress-buster and helps release dopamine which uplifts your mood. This way you will feel at ease to do your work without any troubles.

See a surge in your productivity when you play sports regularly. Sports is proven to increase focus and concentration in individuals as it demands undivided attention.

Conclusion and recommendations

To celebrate National Sports day on August 29 more than an annual ritual, we need to recognize that sports and games are essentially required for human development as an integral part of real education including proper, productive and practical use of hands, head and heart for the Indian youth. Learning tolerance, harmony, fair play with discipline for leadership qualities are the opportunities to make it part of the curriculum. The challenges include unhealthy competition with match-fixing, semester system of examinations with lesser time and all the challenges of inclusiveness with careless and useless manpower to be made careful and useful. We need to foster sports culture in the Indian universities including private sector with freedom and right to play as a participant if not to compete in the rat race.

To promote sports, the schemes, programmes and efforts of the Government of India are necessary but not sufficient. To make it sufficient, there is a strong case for reducing if not avoiding over importance to cricket which has done more harm than good to the entire sports and games due to the money involved in it. It is sad to observe that the introduction of semester system in education has left little time for the students for sports and other co-curricular activities for personality development. They remain busy throughout the semester to finish the courses of study followed by an examination. Let the authorities think of replacing semester system by annual system which provides more time for students to do extracurricular activities like NCC, NSS, debates, declamations and sports like athletics, national games like hockey and football, tennis, badminton not cricket only which is responsible for losing interest in other sports only because of money involved therein.

The sports ecosystem is of poor quality in the nation with potential for excellence. For a country of over 130 crores, the existing sports infrastructure is not up to satisfactory levels. The lack of world-class infrastructure and the inadequate support of the government are reflected in the poor performance of Indian athletes in major international events like the Olympics. Tiny countries like Cuba, Croatia and Lithuania performed better in the 2016 Olympics compared to India. It is high time, the public and private sector should come together to lift the Indian sports sector from the present situation.

References

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