

The Olympics have been a resounding success. But with a continuing gloomy economic outlook the glow will fade quickly

Tony Travers *doesn't believe the warm post-Olympic feeling will last. By October the economic and political realities will again be acutely felt.*



The London 2012 Olympics are, now they have been judged a success, seen as having political meaning. Once it became clear that potential obstacles such as security, transport and the weather had been overcome, Britain was able to bask in glory: a well-organised games and an excellent medal total. For the two-plus weeks of competition, the country was apparently transformed into a kinder, more optimistic, place. Can this effect last?

Almost certainly not. By the time – about four weeks from now – we are in the embrace of the mists and mellow fruitfulness of autumn, politics and the economy will revert to normal. Indeed, this week's public finance figures were a baleful reminder of just how much there is to be pessimistic about – there is now a serious chance the government's 2012-13 borrowing target will be missed.

But, ten days or so after the closing ceremony, the Olympics can still be read as having messages for London and Britain. For those on the centre-right, the Games could be seen as evidence that competition is good and that national pride is self-evidently justified. The Olympics showed how hard work, elite team-building and individual effort will be rewarded: if only this sense of competitiveness and excellence could be carried through to economic and social development, the economy would grow faster. Volunteering on an epic scale suggested the Big Society could yet be successful.

For the centre-left, the Olympics was clear evidence the State can successfully manage major investments and high-quality public provision. The accolade given to the NHS elements of the opening ceremony was surely proof the institution, strongly associated with the Left, is the best thing about the country. Similarly, the multi-cultural nature of the ceremony and Team GB suggested the country has a 'New Labour' view of tolerance. Finally, the willingness of people to join together across social and economic divides, as athletes, volunteers and spectators, implied equality came instinctively to the British.

Last year's riots in London and other English cities provided a similar opportunity for commentators to attach their own interpretation (some would say prejudices) to what had just happened. Events can have many meanings, some of them inconsistent with each other. Yet it is also the case that the 'left' and 'right' interpretations might simultaneously be correct. The British are complex and may easily believe both that the NHS is brilliant while at the same time seeing individualistic competitiveness as the route to success. Put like this, it is easy to see how non-tribal political thinkers come up with an NHS that includes competitive elements.

It is hard to be sure why the Olympics worked so well, but it probably had something to do with the convergence of a contractual obligation, an immutable deadline and massive global scrutiny. The UK government signed a contract with the IOC to hold the games, agreeing to strict conditions. Knowing the whole world would be watching (and thus affecting the country's reputation) made British politicians more willing to spend money and use their power than is normally the case.

This is how the French undertake *grands projets*. Other London regeneration projects take decades to complete, while Stratford railway lands – the Olympic Site – took just six years to prepare. There is something to be learned by this coincidence of public commitment, resources and reputation. For once,

the Treasury was not able to drag out the delivery of a major infrastructure project so as to delay the point where taxpayers' money would be required. When London's Crossrail project is finally completed in 2018, it will have taken 27 years to move it from consultation stage to full operation. The high speed rail line from Euston to Birmingham, Manchester and Leeds, if it is ever constructed, is likely to be similarly glacier-like in its development progress.

The Olympic legacy will need to be seen to be successful. With no final deadline, there is always a risk the reconstruction of what is now the 'E20' postal code area will take far longer than delivering the games themselves. A new development corporation with new leadership is now in place to ensure that London E20 soon becomes a recognised neighbourhood like any other. To do this will require the same kind of commitment and resources available before 27th July.

For London, the 2012 Olympics were another opportunity to reinforce its position as a totemic world city. The successful delivery of the logistical part of the games – the park and stadia – was a brilliant advert for the city's engineers, designers, architects and project managers. During the games, the image of a vast, relaxed, super-diverse city with a sense of humour was transmitted to billions of people worldwide. More tourists and inward-investment may result from the city's one-off promotion, particularly from emerging markets. The Queen, as a result of her cameo acting performance in the opening ceremony, also had a good Olympics.

We will probably never know if the £9.3 billion spent on London 2012 was 'good value for money'. In pure economic terms, it is hard to separate out any one relatively small economic intervention from everything else that is going on. £9.3 billion spent over six years represented less than three-quarters of one per cent of the city's GDP – about a tenth of one per cent of UK GDP over the period. Even in the short term, it will be hard to disentangle the economic effect of the Olympics. By the time all the longer-term land transactions are completed, no one will care.

The Paralympics still lie ahead. With luck, these will further burnish London and Britain's reputation. They will encourage analysis of whether Britain has a decent record in provision for those who take part – and those who are disabled and who do not. Indeed, the Olympics and Paralympics will be researched and discussed for some time to come. But by 1st October, it will be back to political 'business as usual'. Britain will not be a different place.

Note: This article gives the views of the author, and not the position of the British Politics and Policy blog, nor of the London School of Economics. Please read our [comments policy](#) before posting.

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