

Legacy of the Rio 2016 Olympic Games: Economic Impacts

FGV – Brazilian leading Think Tank, according to Global Go To Think Tank Index – released this Tuesday (July 23rd) a study revealing the economic impacts of investments made or planned in the context of the 2016 Olympic Games in Rio de Janeiro.

The "Legacy of the Rio 2016 Olympic Games: Economic Impacts" revealed that the projects enabled by the context of the Games were significant drivers of economic activity and generated an impact on the city of Rio de Janeiro, up to today, of 99 billion BRL on the Gross Production Value (GPV). This included 51.2 billion BRL on GDP; 5.3 billion BRL in tax revenue; 36.2 billion BRL in impact on household income. Over 465.4 thousand jobs were created.

The research also revealed that the impacts were not limited to the municipality of Rio de Janeiro. The projects significantly benefited the entire population of the state of Rio de Janeiro. Observing the entire state, including the capital, the total economic impact was 134.7 billion BRL in Gross Production Value; 69.6 billion BRL on GDP; 7.25 billion BRL in taxes; 49.2 billion BRL on household income; and more than 633.2 thousand jobs created.

It is the first study to quantify the economic impacts of the Games from a broader perspective. It included both ventures strictly linked to the event and those enabled by its context. In this way, it considered two groups of investments: completed legacies for the 2016 Games and in progress or expanding legacies, especially in urban infrastructure, even if implemented after the event. This last group also includes projects conceived in the context of the Olympics but temporarily interrupted due to conjunctural aspects and later resumed. The analyses considered the effects of public and private investments, including the results of their continuous operation.

The study concluded that the economic effects of hosting the Games reached regions, sectors, and agents that went beyond initial planning. Eight years after the event, it is possible to observe that the Rio de Janeiro city hall delivered one of the most efficient Olympic Games in history in terms of the rational use of public money.