

2 Why events?

The nature of events

The event sector is project based. Unlike sport, for example, it does not have centralised administration, such as FIFA or the IOC, to create the governance rules. The event associations are not able to enforce codes of conduct, except by expelling members. It is really a free for all type of industry. This is its attraction and source of its creativity. It is also its attraction for corrupt conduct.

There are various studies on the size of the event sector. But none of them are satisfactory for a worldwide view. Different types of events crop up all the time. Too often an assessment of the size and scope of the sector leaves out one part. Weddings, for example. An important event in many people's lives, worth billions of dollars around the world and yet not really covered by the general textbooks on events. Religious celebrations and commemorations are not front of mind when thinking about the event sector. Tourism events receive plenty of press as do business events, such as conferences, and exhibitions. They are in the forefront of the minds of the innumerable visitor bureaus and the subject of economic impact studies around the world. Almost every sector from agricultural to finance has events such as conferences, exhibitions, seminars, festivals and concerts. This variety and spread is part of the attraction to the corrupt.

The millions of dollars involved in even the simplest event is enough to attract the criminal. A concert of 20,000 people is easily worth a minimum of two million dollars, simply worked out by the ticket price multiplied by the number of attendees. But this does not take into account the merchandise, food and beverage

and sponsorship. On site there may be over a million dollars spent. When this was purely cash, the opportunities for criminal and corrupt behaviour were endless. With the credit cards, it has changed dramatically. Not extinguished, just moved into other areas of corruption.

Events are found around the world. Hence one form of corruption, such as money laundering, can take advantage of the cross border and touring events. There are a variety of opportunities for corrupt practices as the funds come and go from a number of sources. Merchandise, sponsorship, ticket sales, sale of assets, payment of suppliers, royalties and grants all make up this dynamic movement of money. It is more than the money that is dynamic as each event has a cluster of different suppliers. Even the regular supplier often had changed their staff from the last time they were contracted. The suppliers come and go, get bought out and go bankrupt. The stability needed for the prevention of corruption described in the UN and EU documents is just not found in many events.

The staff for event management, the planning and the event itself, can go from a few people to thousands. Recruitment is fast tracked and often the event will depend on volunteers. The recommendations in anti-corruption documents must be adapted to the 'pulsating' human resources. Many events such as public festivals are organised by non-profit entities often with a mixture of community groups and volunteers. These non-professionals have to negotiate and work with private companies with a strictly financial approach to the event. The number of stakeholders such as suppliers, sponsors and government entities, can create a mind boggling complexity of quick decisions with unexpected and uncertain outcomes. A seemingly small change in the logistics can have an overwhelming result. Hence a "small bit" of corruption to facilitate the flow of goods and services may seem a solution.

Within an organisation, such as a large company or bureaucracy, the event team, unit or department has a certain autonomy needed