

Two Days Lausanne Stood Still: The 108th Extraordinary IOC Session, March, 1999

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Gripped by crisis in the early months of 1999 resulting from revelations concerning Salt Lake City's use of cash payments, gifts, and college scholarships for dependents as means of plying some IOC members for their votes in support of the city's bid for the 2002 Olympic Winter Games, the IOC looked to the 108th Extraordinary IOC Session as a turning point.¹ The organization was desperate to shift the media narrative from scandal to tangible reform and transition its own operations from crisis management to brand recovery. Reporters descended on the otherwise tranquil city in mid-March eager to discern whether IOC members grasped the depth of the public's revulsion at the exposed seamy underbelly of Olympic commerce. Would they signal this understanding by expelling six members whose actions were judged most egregious by the Executive Board and heed Juan Antonio Samaranch's call for a reform agenda to position the organization for the 21st century?

Results of the 108th Extraordinary Session established a different and more positive trajectory for an organization and its President, both of whom were much beleaguered and in survival mode as proceedings opened. This study sheds light on this IOC Session which aided Samaranch and his allies greatly in their effort to salvage his presidency, safeguard the IOC's autonomy, and protect the IOC's financial foundation (as television partners and corporate sponsors had forcefully called for meaningful reform). It is informed by an in-depth analysis of IOC Session minutes and contemporary newspaper coverage.



Other than having a public hanging in the square, we couldn't have done anything to satisfy the critics. I don't know what they expect. It is our organization. We are trying to reform it, and we should be (the ones) doing it.²

— James Easton, IOC Member (USA), March, 1999

Introduction

James Easton's comment uttered as he exited the IOC's 108th Extraordinary Session reflected the exasperation and bewilderment pervading the organization's membership and staff. Dogged by virulent criticism in the world's media for some three months, the IOC convened for two days in March, 1999 in order to confront the crisis sparked by revelations concerning a comprehensive gift-giving campaign Salt Lake City officials employed to secure some IOC members' votes in support of the city's bid for the 2002 Olympic Winter Games. The expulsion of six impli-

cated IOC members, the Session's approval of a path for the establishment of an ethics commission and reform of the *Olympic Charter*, including the rules governing the bidding process, were noteworthy actions, claimed Easton. Still, even he did not think the decisions would stem the criticism from the IOC's harshest critics. He was right. As he and colleagues retreated to their home countries, all were better informed on the extent of the crisis in light of the previous two days of debate and dialogue; however, they also surely realized that the path to brand recovery would more resemble a marathon than a sprint.

For two days in March, 1999, Lausanne stood still. Scores of reporters descended on the otherwise tranquil city on Lac Lemman eager to discern whether the rank and file IOC members understood the depth of the public's revulsion at the exposed seamy underbelly of Olympic commerce. There was a strong desire within an embattled IOC leadership to shift the dominant media narrative. In order to achieve this goal, IOC President Juan Antonio Samaranch needed the organization's membership to voice its support for his continued leadership, accept his call for the sacrifice of six IOC members implicated in the Salt Lake City investigation (Agustin Arroyo, Zein Gadir, Jean-Claude Ganga, Lamine Keita, Sergio Santander-Fantini, and Seiuli Paul Wallwork),³ and back the establishment of an ethics commission to monitor the IOC's operations and activities. Intrigue also gripped the proceedings as Samaranch sensed a "palace revolt," a movement initiated by unnamed IOC members and staff, intended to topple his presidency.⁴

Within any comprehensive examination of the Samaranch presidency (and Olympic historians still await the definitive volume on this subject), the 48-hour period under examination in this paper must be viewed as a critical juncture. Results of the 108th Extraordinary Session established a more positive trajectory for an organization and its President, both of whom were much beleaguered and in survival mode as proceedings opened. Much heavy lifting remained in order to repair damage to the IOC's image and brand, and as James Easton accurately noted, media criticism continued. Still, the peak level of the media's agitation had been reached and a sense of measured optimism soon flowed through the IOC's headquarters where only grim faces, blank stares, and furrowed brows had been seen over the past few months. This study will shed light on this IOC Session which aided Samaranch and his allies greatly in their effort to salvage his presidency, safeguard the IOC's autonomy, and protect the IOC's financial foundation (as television partners and corporate sponsors had forcefully called for meaningful reform). It is informed by an in-depth analysis of IOC Session minutes and contemporary newspaper coverage.

Setting the Scene: The Stakes

Beaten down by media criticism during the intervening three months, Juan Antonio Samaranch, members of the Executive Board and the IOC's key staff members prepared for the 108th Extraordinary IOC Session in March, 1999. The Session offered those caught in the maelstrom of controversy a glimmer of hope and an important opportunity. A strong institutional response highlighted by the expulsion of the six members recommended for such sanction by Richard Pound's Ad Hoc Commission,⁵ decisions subsequently endorsed by the Executive Board, might buy the leadership time to push through needed reforms to the *Olympic Charter*. The tenor of the media coverage might improve. Subsequently, the opposite was also true. If IOC members did not endorse the recommendations, the media barrage would inflict further damage to the IOC's reputation and sponsors would question their continuing financial commitment to the Olympic Movement. Tomas Sithole, an IOC member to Zimbabwe, understood the stakes involved: "The public, sports people and the corporate sector are waiting to see if the IOC is serious about cleaning its house. If they see the IOC is serious," offered Sithole, "they will continue to support us. If not, there is going to be serious trouble."⁶

Juan Antonio Samaranch and Preparations for the 108th Extraordinary IOC Session

While IOC members packed their luggage for the journey to Lausanne, Samaranch conceded that he should have pursued changes in the IOC's Olympic site selection process earlier in his presidential tenure. "I'm guilty of one mistake: underestimating everything that was going on around all the bid cities—the money, the interests of all types, the temptations, the weaknesses. I should have realized earlier that the system for selecting host cities had to be changed... I should have achieved a simpler mechanism, one that's easier to control."⁷ For Samaranch, a man not given to admitting mistakes in a public forum, it was a humbling exercise.

Behind the scenes, Samaranch had been active. He worked the phones pleading with IOC members to support the recommendations for expulsion of the six members. In a letter to all IOC members Samaranch noted the need for "concrete" action and some "painful" decisions, while calling for members to contribute "to defining a new policy for the IOC, in a spirit of renewed unity."⁸ In phone conversations with Olympic sponsor CEOs, he remained "upbeat" and assured the corporate partners that the IOC would deal with the immediate issues and prepare the IOC for a corruption-free future.⁹ With the session approaching, not all IOC members shared his optimism. While supportive of Samaranch, Francisco Elizalde, an IOC member to the Philippines, confessed that "it's very hard to undo the damage. It will linger. Let's talk reality. Our image is kaput right now."¹⁰

The pressure on Olympic leaders was intense and nerves were frayed as IOC members converged on Lausanne. Samaranch revealed his fears concerning a "palace revolt" and his sense that unnamed IOC members and/or personnel were attempting to "destabilize" his leadership to force his resignation.¹¹ One member of the Executive Board confirmed that death threats prompted him to retain the services of a bodyguard.¹² Un Yong Kim, who remained under investigation by the Ad Hoc Commission concerning revelations that his son had obtained a job with a telecommunications firm funded by the Salt Lake City bid committee, lost his composure at an Executive Board meeting on 16 March. Kim had been recommended for a severe warning by the Ad Hoc Commission for other transgressions, but its investigation continued with the possibility of a recommendation for an expulsion. During a break in the Executive Board's meeting at the Château de Vidy with the Salt Lake City Organizing Committee's newly appointed President, Mitt Romney, Kim confronted IOC Director General François Carrard (a member of the Ad Hoc Commission) on one of the building's terraces. The two exchanged heated words and Kim struck an aggressive taekwondo stance. Pound intervened and instructed Kim to "calm down" as Carrard retreated hurriedly from the terrace with the words, "I quit!"¹³

Mitt Romney, in his first face-to-face meeting with IOC officials, was startled by the incident. "It was not the diplomatic, quiet decorum that characterized the century-old congregation of international diplomats," concluded Romney in his 2004 book, *Turnaround: Crisis, Leadership, and the Olympic Games*.¹⁴ The embarrassing episode, witnessed by a number of IOC staff members present,¹⁵ forced Samaranch to hold a private meeting with Kim, Pound, and Carrard in order to deal with the matter.¹⁶

The role of Olympic sponsors in the generation of major planks in the IOC's reform agenda and the push for expulsion of members also provided a topic of discussion for Executive Board members huddled at the Château de Vidy. Pound, one of the organization's two principal point persons with the sponsors (Michael Payne, the IOC's Marketing Director, invested similar energies in liaising with the sponsors during the crisis),¹⁷ reiterated that the IOC needed to act swiftly and push through the needed reforms. A less than decisive response from the IOC over the ensuing few days threatened the IOC's sponsor base. "The big risk was the 'herd theory,'" concluded Pound, "which was that the sponsors would get stampeded by public opinion and would get up and take action. This was a very serious threat." While the sponsors offered support publicly, "they had made it known privately that it could

be fatal [to their sponsor relationships] if the situation was not cleared up quickly."¹⁸ Kéba Mbaye lamented the prominence of the sponsors in the IOC's deliberations on reform matters and believed they might be "driving" the process with what amounted to "quasi-bribery." Sponsors, responded Pound, "were not telling the IOC what to do, but encouraging them to get it done."¹⁹ Representatives of Hill & Knowlton, the public relations company retained to assist the IOC in managing its interaction with the world's media during the crisis, confirmed the need for decisive action. Dick Hyde, one of Hill & Knowlton's four executives present, counseled Executive Board members that "a consistent, steady message" was imperative for the IOC, specifically one that revealed the "IOC had taken strong and decisive action to root out wrongdoing [and that] reforms [were] enacted to prevent future problems and make things more open and transparent."²⁰

Decision Day: 17 March 1999

Samaranch knew the price of inaction for the organization, as well as himself, in March 1999. He left no doubt in the minds of his fellow IOC members regarding the gravity of the situation as he opened the 108th Extraordinary Session at Lausanne's Palais de Beaulieu on 17 March. "There has never been an occasion," he stated, "on which a President of the IOC has needed to express his opinion, in relation to an issue which so profoundly affects the present and future of the Olympic Movement as much as the current crisis... It is my conviction that unless we act quickly, decisively and unanimously, at this Extraordinary Session, the damage which may be done to the Olympic Movement and to the IOC as a result of the recent disclosures will be very, very serious."²¹ Samaranch confronted the issue dominating the day's events, one that brought hordes of the world's media to the shores of Lac Lemman. Samaranch confessed that the organization had not performed well in its monitoring of the host city bid process. Still, he observed, "no one thought that certain of our members would act in a manner which would eventually bring the IOC into disrepute—in fact, into a crisis which has nearly destroyed the reputation and credibility of all its members and the organization itself." He hammered home his central message: "It is important—vital—that you understand the extent of this crisis."²²

Samaranch took personal responsibility for the development of the scandal, but also wanted the responsibility (and support of IOC members) to steer the IOC through the crisis. In order to emerge from this crisis, the IOC, said Samaranch, needed to expel those members of the IOC recommended for such a sanction by the Ad Hoc Commission and Executive Board.²³ He also called for the Session's support of the revised procedures for the selection of the host city for the 2006 Olympic Winter Games, which involved the admittedly contentious decision to suspend all IOC member visits to bid cities, as well as the establishment of an electoral college that would whittle the competition down to two finalist cities for the Session's consideration.²⁴ He urged the Session to support the establishment of an Ethics Commission²⁵ and advocated the institution of a study group he referred to as the IOC 2000 Commission, comprised of Olympic family members and prominent outside individuals, which would examine all aspects of the IOC's operation with a view to providing recommendations for reform of the *Olympic Charter*. "Starting today," Samaranch concluded, "our mandate is to heal the wounds inflicted by the inappropriate actions of some of the members of the IOC and by others outside of our organization, and return the prestige to the entire Olympic Movement."²⁶

While gratified by the warm and rousing round of applause from members at the conclusion of his remarks, Samaranch called for a secret ballot on a vote of confidence and delegated Hungary's Pal Schmitt to oversee the process.²⁷ Samaranch departed the Session hall. Of the 90 ballots distributed, 89 were returned yielding a massive vote of confidence (86-2, 1 ballot spoiled) in the organization's leader. Upon his return to the hall, Samaranch expressed his appreciation for the vote of confidence

and pledged “to do his best, with the help of the members, to put the IOC back in the place it deserved in the world of sports.”²⁸

Following a brief review of the origins of the Ad Hoc Commission, and a summary of its work by Richard Pound, Agustin Arroyo, former President of Ecuador’s National Olympic Committee and an IOC member since 1968, was ushered into the Session hall. Subsequent walks to the podium were made by Zein Gadir (Sudan), Jean-Claude Ganga (Congo), Lamine Keita (Mali), Sergio Santander-Fantini (Chile), and Seiuli Paul Wallwork (Samoa). All defended their actions.

The most highly anticipated appearance was that of the Congo’s Jean-Claude Ganga, the highest profile member to face expulsion. Ganga carved much of his reputation in international sport circles as the leader of the African boycott of the 1976 Montreal Olympics. He had been a major focus for the world’s media prior to the March Session. Fascination with Ganga’s situation was due to his profile as well as his spirited defense of his actions. Dubbed the “human vacuum cleaner” by Salt Lake City officials,²⁹ Ganga stood accused of accepting benefits in excess of \$250,000 from Salt Lake City officials. This sum included medical treatments for himself and two relatives, six trips to Salt Lake City, a trip to Las Vegas for his wife and mother-in-law,³⁰ cash payments, and assorted gifts including a refrigerator, fax machine, and an exercise machine, and profits on a land deal approximating \$60,000.

Ganga lobbied hard in the weeks before the Session to retain his standing in the organization, directing much of his ire at Richard Pound who, charged Ganga, profited from the IOC’s long-term contracts with the National Broadcasting Company³¹ and had targeted African members in his Commission’s investigations as a means of excluding “Africa from the center of decision making in world sports.”³² The severe warning against Un Yong Kim, and the continuing investigation into his actions reeked of politics, charged Ganga, since Pound and other members of the Ad Hoc Commission who had aspirations for the IOC presidency sought to eliminate Kim from the race. Pound calmly rebutted his accusations: “As a lawyer, I can tell you: If you have a case with bad facts, you attack the law. If you have a case with bad law, you attack the facts. If you have bad law and bad facts, you attack the prosecutor.”³³ Ganga lashed out at the “corruption fever” gripping the IOC’s Lausanne headquarters. “If you want angels and saints, go to heaven to organize the Olympic Games. If you organize the Games on this earth, it must be organized with human beings with good sides and bad sides.”³⁴ Swinging wildly at his accusers, Ganga attacked Samaranch who decided to “sacrifice his friends.” “That is dangerous for him,” warned Ganga, “it is war now.”³⁵ Even long-time friend, LeRoy T. Walker, USOC President at the time Salt Lake City secured host city privileges for the 2002 Olympic Winter Games, found Ganga’s conduct embarrassing. “He changed the handshake from palms together to palms up—what’s in it for me,” Walker concluded.³⁶

Given the wealth of evidence before IOC members, Ganga’s audience in Lausanne wondered how he would explain his actions. More than a few must have cringed when he stated that “simple concepts as hospitality and courtesy have been qualified as attempts to bribe, attempts to corrupt, values such as friendship and solidarity have been defined as offences.” Money directed to his personal account (\$70,000) had been handled in this fashion so as to facilitate its distribution to a number of African NOCs, Ganga claimed, because of problems with the Republic of Congo’s banking system. He had documents to prove the money had been allocated to the designated NOCs. Ganga understood that the money came from Welch directly, not Salt Lake City’s bid committee, as a result of his personal visit to Africa and his shock and horror at the lack of sport amenities for African youth.³⁷ He said that his efforts to pay for medical bills for his treatment, and the artificial knee provided to his mother-in-law, had been turned aside by the Salt Lake City doctors. But, he was willing to pay his family’s medical bill today if Lausanne staff would pursue the bill from Salt Lake City officials. The refrigerator

and fax machine were in their room in Salt Lake City, but were not transported to Brazzaville. An exercise machine, which he claimed to have reluctantly accepted, was not even delivered to their possession, Ganga stated. He challenged his accusers to find the refrigerator and fax machine in Brazzaville.³⁸ A bewildered Ganga stated that no proof had been provided to support the claims of the Ad Hoc Commission. Ganga yearned for a “junketeering culture built on lavish trips, expensive gifts, and... cash payoffs,”³⁹ wrote the *Boston Globe*'s John Powers and Mitchell Zuckoff, but the Salt Lake City scandal would within minutes bring his IOC tenure to a close.

IOC members, after having listened to the impassioned pleas of their colleagues, focused on the task of determining their fates. All were expelled in a series of secret ballots (Arroyo [72-16], Gadir [86-4], Ganga [88-2], Keita [72-16], Santander Fantini [76-12], and Wallwork [67-19]). The marathon six-hour meeting yielded the necessary results for Samaranch. His leadership had been confirmed in overwhelming fashion in a secret ballot (86-2) exceeding the expectations of his allies: “We were thinking that about 30-40 members might get organized against him, on a worst case scenario, but obviously the powerplay that we were expecting did not get up,” one source told the *Sydney Morning Herald*'s Jacquelin Magnay.⁴⁰ The six members, whose expulsion Samaranch urged, had been drummed out. “At the risk of sounding Churchillian,” commented Pound to assembled reporters, “I think we are at the end of the beginning or nearing the end of the beginning.”⁴¹ Those who had been in the vortex of the crisis knew too well that the expulsions represented a mere start on the path to brand recovery.

What lingered in the aftermath of the Session were charges that the IOC had sacrificed members, exclusive of Ganga, who carried a low profile while protecting the charismatic Phil Coles and powerful Un Yong Kim by issuing serious warnings. Coles withstood withering attacks in the Australian press with respect to his conduct which included multiple paid visits to Salt Lake City, and a trip to the Super Bowl.⁴² The Ad Hoc Commission recommendation on Coles did not satisfy some IOC members. “If you look at Arroyo or Paul Wallwork,” offered one member, “they did much less than Coles, yet they were thrown out and Coles survived. He was unbelievably lucky.”⁴³ Pound and Kim were rivals to succeed Samaranch as IOC President. Pound wanted Kim out, but consensus was not reached within the Ad Hoc Commission.⁴⁴

For Kim, the IOC's decision in March, 1999 was but a temporary reprieve. Following his failed run at the IOC presidency in 2001, his business dealings fell under the scrutiny of South Korean authorities. Charged and convicted of embezzling \$2.8 million principally from the World Taekwondo Federation (WTF), the ‘Kukkiwon’ (headquarters of the WTF), and the General Assembly of International Sports Federations, Kim was also found guilty of accepting (and was required to repay) \$679,000 in kickbacks from sport officials. The embezzled funds, in part, funded his campaign for Samaranch's job. Kim was sentenced to two and one-half years in prison, but the sentence was eventually reduced to two years on appeal based on his contribution to Korean sport and his poor health. Kim served one year in prison and was granted parole soon after having resigned from the IOC (which was prepared to vote on his expulsion in Singapore in July, 2005) in May, 2005.⁴⁵ Despite the criticism that the IOC employed a double standard, Samaranch and other Olympic officials asserted that the expulsions had demonstrated the IOC's resolve to confront corruption within its ranks. It had been the organization's “worst, best day” in its 105-year history, concluded Executive Board member Kevan Gosper.⁴⁶

While Samaranch and other IOC power brokers breathed a sigh of relief, the next day's agenda was loaded with dynamite given the need to demonstrate to key stakeholders, most notably the corporate sponsors, the organization's commitment to overhauling the structure and operating policies of the IOC. Would the concept of an Ethics Commission be greeted with favour by members? Would

Samaranch's IOC 2000 Commission concept find support? Would the IOC members rise up to contest Samaranch's decree that eliminated bid city visits for the 2006 Olympic Winter Games? Would the Session pass revised procedures for selecting the host city for the same festival, including a small electoral college that would determine the two finalists? Still, at the close of the first day, Samaranch could permit himself a few moments to relax in the privacy of his suite at the Palace Hotel. He had survived. The feared palace revolt, real or imaginary, failed to topple the battered, but resilient, Spaniard. There was room for a little optimism as he turned off the light to find a few hours sleep before returning to the Palais de Beaulieu.

Day Two: 18 March 1999

Hoping to capitalize on the momentum gained from support for his leadership and the expulsion of the implicated members, Samaranch opened the following day's proceedings with the proposal for modifying the selection procedure for the 2006 Olympic Winter Games. An electoral college composed of the IOC President, IOC Doyen, eight IOC members elected by the IOC Session (at its June 1999 Session where the winning bid would be determined), the Chairman of the Evaluation Commission (Chiharu Igaya, Japan), a representative of the Winter Sports Federations (appointed by the Association of International Winter Federations), an NOC representative (appointed by the Association of National Olympic Committees), and the three athletes elected by the athletes in Nagano (1998), announced Kéba Mbaye, would reduce the competing cities from six to two. The Session would select the winning city from those two bids.⁴⁷ A number of members raised a series of minor concerns, but strong support for the proposal from Guy Drut (France), Prince Albert of Monaco, and Denis Oswald (Switzerland) was also heard.⁴⁸ Samaranch reiterated his support for the proposal before calling for a vote.⁴⁹ By a show of hands, the Session passed the proposal with one abstention, but no votes against.⁵⁰

Some resistance was met when Kevan Gosper, who spearheaded the effort to draft terms of reference and composition of the proposed Ethics Commission, along with Mbaye and Carrard, presented the Executive Board's recommendation that such a body be established. While Norway's Gerhard Heiberg and Canada's Carol Anne Letheren voiced their acceptance of the proposals⁵¹ which included the proviso that only two of the seven members of the Ethics Commission would hold IOC membership,⁵² a number of their colleagues balked at this limited level of IOC representation on the Commission.⁵³ Craig Reedie (Great Britain) and Executive Board members Anita DeFrantz and Thomas Bach countered these fears by indicating that the outside members were essential and would give the body credibility with the media and public.⁵⁴ Gosper clarified that the Chair of the Ethics Commission would be an IOC member appointed by the President.⁵⁵ Samaranch, sensing the resistance but requiring the passage of the concept of an Ethics Commission, intervened. The majority of the members of the Ethics Commission needed to be from outside, said Samaranch, but the current proposal - a Commission whose membership comprised two IOC members, one athlete who had recently competed in the Olympics, and four non-IOC members - could be tweaked. Samaranch offered that a third IOC member could be added at the expense of one non-IOC member leaving a 4 (non-IOC) to 3 (IOC) member balance. Samaranch called for the provisional acceptance of the Ethics Commission, to be confirmed at the June Session following consideration of IOC member input over the course of the next few months. The dissenting members, whose opposition was due, in part, to the absence of their input with the generation of the proposal, found this palatable. The vote in favour of the motion was unanimous.⁵⁶

Samaranch forged ahead with his proposal for the IOC 2000 Commission. He discussed its composition, likely 20-24 members with a majority holding IOC membership. He noted that the goal of the Commission would be to present a preliminary report to the Session in June, and a final report to be submitted to the IOC prior to a yet-to-be called Session in December 1999 or early

2000. The task was clear—generate ideas that would assist the IOC in strengthening its structure and function in the twenty-first century.⁵⁷ A number of IOC members weighed in on the proposal; however, the discussion was brief.⁵⁸ Sheikh Al-Sabah (Kuwait) summarized the feelings of his colleagues in pledging his support for the proposal in labeling the past two days “a bitter pill to swallow but it was necessary to resolve problems in the world of sport.”⁵⁹ The motion passed unanimously.

At any other IOC Session, the subsequent decision to support the formulation of an Anti-Doping Agency, a necessary step following the World Conference on Doping in Sport held in Lausanne in February, would have dominated newspaper headlines the next day.⁶⁰ In March, 1999, this decision was overshadowed by expulsions and reform initiatives. Still, it signaled that the IOC was prepared to play a more significant role in tackling the modern day scourge of international sport, and gave IOC officials another talking point in their efforts to convince reporters that the IOC had followed through on its promise to confront its problems. Juan Antonio Samaranch declared the session closed.

The Aftermath

Juan Antonio Samaranch was succinct in his analysis of the Session in his comments to the press: “We promised to clean house. We did it. We promised reforms. We did it. We promised an Olympics united. It’s done.”⁶¹ If he anticipated that events of the past two days would change the tenor of the media’s treatment of the IOC and his stewardship in the short term, he was soon disappointed.

Many reporters were galled that Samaranch, who in their minds had been disgraced by the scandal, first survived, and second, was installed as the Chairman of the IOC 2000 Commission, the body that would generate reform proposals. “It might sound like what the IOC did was momentous—until you realize what the IOC did not do... Juan Antonio Samaranch escaped unscathed,” wrote Christine Brennan of *USA Today*.⁶² Tom Knott was similarly unimpressed, but even more strident in his column in the *Washington Times*: “So Samaranch is in charge of making the world safe from corrupt blowhards such as himself. This is just great. This piece of Euro trash impersonating royalty is leading the reform effort while the lies persist.”⁶³ The *Toronto Star* concluded that “the Olympic chalet still has a lot of dirty corners. The IOC didn’t so much clean house as dust lightly around the edges... What hope can we have for true reform with the task of restructuring the organization given to the man who led the IOC into the worst scandal in its history?”⁶⁴

Conclusions

While the 108th IOC Extraordinary Session marked a turning point for the IOC, a sense of calm did not return to Lausanne until late in the calendar year when: 1) Nike immediately leapt to replace Reebok as a sponsor of the Sydney Olympics when the latter withdrew as a result of a contract dispute; 2) the IOC Session passed fifty reform measures to the Olympic Charter proposed by the IOC 2000 Commission; and, 3) Samaranch defused troubles in the U.S. through testimony on the reform agenda before a U.S. congressional committee in Washington. Only then could Samaranch draw the curtain on the Salt Lake City scandal and look forward to the remaining eighteen months of his IOC presidency.

At its heart this is the story of an organization that found itself caught in the throes of a crisis facilitated by its own shortcomings in failing to confront the festering problems with the Olympic bid process. Even Richard Pound conceded that a crisis such as the one that burst forth in Salt Lake City had been percolating for years. It was a “simmering” rather than “sudden” crisis if we employ the labels of those who make crisis management their business.⁶⁵ For a period of three months its leaders battled desperately to withstand withering media criticism while simultaneously waging a campaign to recover the Olympic brand.

For Juan Antonio Samaranch the personal stakes were even higher—his survival and his presidential legacy. Lacking the organizational infrastructure to deal with a media crisis in December, 1998 (the IOC's Director of Communications and an intern tried to manage 300 media inquiries in the first two days of the crisis),⁶⁶ Samaranch and the Executive Board battled gamely over the ensuing months with the subsequent assistance of Hill & Knowlton to deliver a consistent message concerning the IOC's intent to bring necessary change to the IOC. Parallel to this interaction with the media, Samaranch, Richard Pound, and Michael Payne spearheaded efforts to assure Olympic sponsors of the IOC's commitment to addressing their concerns in regard to measures such as financial transparency, an IOC member code of conduct, and the need for IOC member term limits.⁶⁷ The sponsors' decision to stand firm and grant Samaranch and the Executive Board the time to secure approval of the reform agenda from the membership contributed greatly to Samaranch's survival, but also reflected their collective faith in the resilience of the Olympic brand. This critical juncture in the presidency of an individual who brought sweeping change to the Olympic Movement in the 1980s and 1990s merits further investigation for those interested in the IOC, the Olympic Movement, and the broader concepts of leadership and crisis management.

Endnotes

- 1 The author gratefully acknowledges that financial support for this research was received from a grant partly funded by Wilfrid Laurier University Operating funds and partly by the SSHRC Institutional Grant awarded to WLU.
- 2 Lisa Riley Roche, "IOC event fails to live up to hype," *Deseret Morning News*, 21 March 1999.
- 3 The individuals were recommended for expulsion as a result of their acceptance of gifts and benefits from Salt Lake City officials beyond that deemed acceptable by the IOC. Arroyo (accepted not less than \$19,000), Gadir (accepted not less than \$25,000), Ganga (accepted not less than \$250,000), Keita (accepted not less than \$97,000), Santander-Fantini (accepted not less than \$20,000), and Wallwork (accepted not less than \$30,000) were all jettisoned at the 108th IOC Extraordinary Session as a result of their actions. Four other IOC members, Pirjo Haggman, Charles Mukora, David Sibandze, and Bashir Attarabulsi resigned prior to the Session.
- 4 "With vote approaching, Samaranch worries about palace revolt," *The Star-Ledger* (Newark), 16 March 1999.
- 5 In December, 1998, Samaranch asked Pound to lead the IOC's internal investigation of its members. The Ad Hoc Commission was a subset of the Executive Board comprised of Pound, Pal Schmitt, Thomas Bach, Jacques Rogge, Kéba Mbaye, and François Carrard.
- 6 Jere Longman, "Reform Process Could Change Entire IOC Structure," *New York Times*, 20 February 1999, D1.
- 7 "Samaranch says he erred by not acting earlier against bidding abuses," *Associated Press*, 12 March 1999.
- 8 Stephen Wilson, "Samaranch prepares IOC members for 'painful' decisions," *Associated Press*, 11 March 1999.
- 9 Larry Siddons, "IOC Chief Calls 'Fearful' Sponsors," *Associated Press*, 10 March 1999.
- 10 John Powers and Mitchell Zuckoff, "IOC faces its day of reckoning difficult decisions on tap this week," *Boston Globe*, 14 March 1999, E1.
- 11 "With vote approaching, Samaranch worries about palace revolt," *The Star-Ledger* (Newark), 16 March 1999; Larry Siddons, "Investigators review new information as expulsions vote nears," *Associated Press*, 16 March 1999. See also, R. Craig Copetas and Roger Thurow, "Tightening Rings: Olympic Investigations Sprawl Far Abroad, Vexing a Stressed IOC," *Wall Street Journal*, 3 March 1999.
- 12 R. Craig Copetas and Roger Thurow, "Tightening Rings."
- 13 Mike Dodd, "Kim hits boiling point with IOC panel," *USA Today*, 18 March 1999; Glenn Stanaway, "Clash kicks off Olympic crisis talks," *The Courier-Mail*, 18 March 1999; "Korean IOC member takes threatening stance," *Kitchener-Waterloo Record*, 17 March 1999. Dodd reported that Carrard used the words, "I'm leaving," and shouted them in Samaranch's direction. The report from the *Associated Press* appearing in the *Kitchener-Waterloo Record* indicates that Carrard employed the words, "I quit."

- 14 Mitt Romney (with Timothy Robinson), *Turnaround: Crisis, Leadership, and the Olympic Games* (Washington: Regnery Publishing Inc., 2004), 147.
- 15 Erskine McCullough, "(Olympics) Secret trial mocks IOC transparency pledge," *Agence France-Press*, 16 March 1999.
- 16 "IOC official flees as Kim strikes tae kwon do stance," *Associated Press*, 17 March 1999. Kim provided a letter of apology to Carrard and Pound for his outburst.
- 17 For details on the IOC's efforts to manage its relationship with major Olympic sponsors during the crisis, see, Stephen R. Wenn and Scott G. Martyn, "Storm Watch: Richard Pound, TOP Sponsors, and the Salt Lake City Bid Scandal," *Journal of Sport History* 32 (Summer, 2005): 167-197; and, Stephen R. Wenn and Scott G. Martyn, "'Tough Love': Richard Pound, David D'Alessandro, and the Salt Lake City Olympics Bid Scandal," *Sport in History* 26 (April, 2006): 64-90.
- 18 *Minutes of the Meeting of the IOC Executive Board*, Lausanne, 15, 16, and 19 March 1999, 23, Personal Files of Richard W. Pound, Montreal, Quebec [hereafter cited as PFRWP]. Brackets mine.
- 19 *Ibid.*
- 20 *Ibid.*, 46. Brackets mine.
- 21 *Minutes of the 108th IOC Session*, Lausanne, 17-18 March 1999, Annex #1, 25, International Olympic Committee Archives, Lausanne, Switzerland [hereafter cited as IOCA]. Mere days before the session British IOC member Craig Reddie warned, "if [Samaranch] is going to retain the presidency and remain in power, he has to resolve this. The ball is in his court." Stephen Wilson, "Samaranch reputation on line at watershed IOC meeting," *Associated Press*, 13 March 1999. Brackets mine.
- 22 *Ibid.*, Annex #1, 33.
- 23 *Ibid.*, Annex #1, 34.
- 24 *Ibid.*, Annex #1, 34-35.
- 25 *Ibid.*, Annex #1, 35.
- 26 *Ibid.*, Annex #1, 38.
- 27 *Ibid.*, 1.
- 28 *Ibid.*, 2.
- 29 Jonathan Calvert, "How to Buy the Olympics," *The Observer*, 6 January 2002, <<http://observer.guardian.co.uk/sport/issues/story/0,,676494,00.html>>[25 July 2007]; and Jo Thomas, Kirk Johnson, and Jere Longman, "The Rise and Fall of Olympic Ambitions Tactics May Have Been Pointless," *New Orleans Times-Picayune*, 14 March 1999. Salt Lake City bid officials referred to his visits as "Ganga time."
- 30 *Minutes of the 108th IOC Session*, Lausanne, 17-18 March 1999, Annex #5, 48. Ganga insisted that the trip had also been offered to him, but that all three preferred not to travel to Las Vegas, but only his wife had taken the trip after others insisted.
- 31 E. Swift, "Special Report: Breaking Point—Years of Greed, Corruption Have Caught Up with the IOC," *CNN/ISI.com*, 27 January 1999, <http://sportsillustrated.cnn.com/Olympics/news/1999/01/27/si_swift/> [17 September 2004].
- 32 Larry Siddons, "Ousted African official says IOC rules aimed at angels and saints," *Associated Press*, 15 March 1999.
- 33 Mike Dodd, "Plot Against the Third World," *USA Today*, 16 March 1999.
- 34 *Ibid.*
- 35 Roger Cohen and Jere Longman, "Master of the Games: Olympic Chief's Expansion Goals Left Little Zeal to Pursue Abuses," *New York Times*, 7 February 1999, A1.
- 36 Jere Longman, "African Expelled From IOC Lobbies for His Reinstatement," *New York Times*, 16 March 1999, D4.
- 37 *Minutes of the 108th IOC Session*, Lausanne, 17-18 March 1999, Annex #5, 47, IOCA.
- 38 *Ibid.*, Annex #5, 48.
- 39 Powers and Zuckoff, "IOC faces its day of reckoning."
- 40 Jacquelin Magnay, "Pound of Flesh," *The Sydney Morning Herald*, 20 March 1999.
- 41 Christopher Clarey, "6 Olympic Officials Are Forced Out But the IOC President Receives a Convincing Vote of Confidence," *International Herald Tribune*, 18 March 1999.
- 42 The Coles saga, and in particular Australian reaction, is dealt with in detail by Douglas Booth, "Gifts of Corruption? Ambiguities of Obligation in the Olympic Movement," *Olympika: The International Journal of Olympic Studies* VIII (1999): 43-68.
- 43 Jacquelin Magnay, "Pound of Flesh." Coles resigned from the Sydney Organizing Committee in June, and the IOC barred him from serving on any of its commissions or working groups for two years after additional allegations emerged. Coles

- allegedly accepted jewellery valued over A\$9,000 for his ex-wife from an individual affiliated with the Athens 1996 bid committee and provided Salt Lake City bidders with dossiers on his IOC colleagues' characteristics and tendencies. See, Booth, 53-55.
- 44 *Ibid.*
- 45 Lynn Zinser, "Official Quits and the IOC Avoids Expulsion Vote," *New York Times*, 21 May 2005, D6. See also, "Appeal by IOC Vice President Rejected," *Associated Press Newswires*, 17 September 2004; "Appeals court upholds conviction of IOC vice president Kim," *Agence France-Presse*, 16 September 2004; and, "Kim Un-Yong Gets 30 Months in Prison," *Korea Times*, 4 June 2004. The Korean Olympic Committee pressured Kim for his resignation from the IOC because it feared that his determination to fight Jacques Rogge and the Executive Board, which had voted 13-0 in February in support of his expulsion, would damage Pyeongchang's chase for the 2014 Olympic Winter Games. Korean government authorities would later deny that Kim had been paroled after one year in prison in exchange for his resignation from the IOC. "Cheong Wa Dae denies alleged involvement in ex-IOC deputy head's resignation," *Yonhap English News*, 22 June 2005.
- 46 Glenda Korporaal, "Samaranch Smelling of Roses," *The Sydney Morning Herald*, 19 March 1999.
- 47 *Minutes of the 108th IOC Session*, Lausanne, 17-18 March 1999, 8. The composition of the electoral college and voting procedures are located in Annexes #9 (62-63) and #10 (64-65).
- 48 *Ibid.*, 8-10.
- 49 *Ibid.*, 8.
- 50 *Ibid.*, 10.
- 51 *Ibid.*, 11-12.
- 52 The proposed composition of the Ethics Commission and its Terms of References are located in Annex #11 (66-68).
- 53 For this series of interventions, see *Minutes of the 108th IOC Session*, Lausanne, 17-18 March 1999, 12-13.
- 54 *Ibid.*, 13.
- 55 *Ibid.*, 13-14.
- 56 *Ibid.*, 15.
- 57 *Ibid.*, 15-16.
- 58 *Ibid.*, 16.
- 59 *Ibid.*
- 60 *Ibid.*, 17-18.
- 61 Bert Roughton and Melissa Turner, "As reform's shape goes, so will IOC's; Movement faces future in which its business will be conducted in spotlight of the world's scrutiny," *The Atlanta Journal-Constitution*, 21 March 1999.
- 62 Brennan as cited in Lisa Riley Roche, "IOC event fails to live up to hype," *Deseret Morning News*, 21 March 1999.
- 63 Tom Knott, "Good reform: Send Samaranch to feed the pigeons," *The Washington Times*, 22 March 1999.
- 64 "Olympic cleanup falls short of the mark," *Toronto Star*, 20 March 1999.
- 65 Crisis management literature identifies two types of organizational crises—sudden and simmering. A sudden crisis denotes events such as accidents, breakdowns in machinery required for the production of goods, or acts of terrorism. "Simmering events," state Peter Ruff and Khalid Aziz, "cover situations that lurk beneath the organization's surface and can erupt into a crisis at any time." A simmering crisis, adds Lerbinger, builds "up over time until a threshold is reached. When this build-up is gradual and small, managers may be unaware of an approaching crisis... When a crisis follows this slow, cumulative pattern, the crisis threshold is likely to be defined by outsiders: the media, the government, whistle blowers, or public watchdogs of organizational behavior." Conventional wisdom states that the vast majority of organizational crises are "sudden." However, an in-depth examination of major organizational crises between 1990 and 1998 conducted by the United States Institute of Crisis Management demonstrated that 86% of crises result from "simmering events." Peter Ruff and Khalid Aziz, *Managing Communications in a Crisis* (Burlington, VT.: Gower Publishing Ltd., 2003), 3-4; and Otto Lerbinger, *The Crisis Manager: Facing Risk and Responsibility* (Mahwah, NJ.: Lawrence Erlbaum Associates, Publishers, 1997), 7.
- 66 *Minutes of the Meeting of the IOC Executive Board*, Seoul, 13-15 June 1999, 10, PFRW
- 67 Wenn and Martyn have provided a summary of the sponsors' reform suggestions. See, Wenn and Martyn, "Storm Watch," 185.