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Toronto's SkyDome: the world's greatest entertainment centre[†]

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In the mid-1980s, the Ontario government partnered with some of the most powerful corporations in Ontario to build a stadium for Major League Baseball (MLB) and the Canadian Football League. I opposed the creation of the SkyDome (so named because of its retractable roof) on the grounds that corporate sport did not need public subsidy and that a publicly enabled showcase for men's-only sport would further the marginalization of women. Then in 1990, with a change in government, I was appointed to the stadium board with instructions to limit or end the public financial risk from the facility. 'Sometimes poachers make the best gamekeepers', said Ontario treasurer Floyd Laughren. During the next four years, working closely with labour leader Bob White and others, I helped sell off the stadium to the corporate interests that most benefited from it, while contributing to its management. It was a heady time: the negotiations for the sale were constantly in the media spotlight, and in 1992 and 1993, the stadium's principal tenant, the Toronto Blue Jays baseball club, won back-to-back MLB championships. I learned a lot that subsequently stood me in good stead when I became responsible for the management of the University of Toronto's athletic facilities. This article, written in 1994, places the development and sale of the SkyDome in the history of Toronto urban development and North American commercial sport and shares the thinking that led us to initiate and complete the sale. To the best of my knowledge, it constitutes the only time in North America when a money-losing, publicly subsidized facility has ever been sold to the corporations that use it.

Introduction

Toronto, Canada's largest city, with a metropolitan population of more than four million, stretches along the north shore of Lake Ontario.[1] The major focal points of public life are City Hall and the large open-air plaza on which it stands, Nathan Phillips Square. Public debates on the issues of the day in the council chambers are sometimes well attended, while thousands of Torontonians greet the New Year and celebrate other holidays in the Square. It is a space for both state-sanctioned and popular, even oppositional, initiatives: multicultural festivals and political assertions, ranging from the annual International Women's Day rally to anti-war and environmental demonstrations, are just as likely to be found on a visit as Remembrance Day services and educational, health and welfare campaign kick-offs. A pool-sized fountain is a favourite spot for impromptu lunch-hour picnics during warmer weather and late-night skates during the winter. In a tradition that dates from the nineteenth century, athletes who have been successful in major competitions such as the Olympics are honoured there, usually after a triumphal parade north from the waterfront, about a kilometre away.

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But recently that sporting tradition has been reversed and City Hall overshadowed by a new venue, the SkyDome. After the Toronto Blue Jays won the Major League Baseball (MLB) championship (the World Series) in October 1992 – and again in 1993 – the team paraded south, completely bypassing City Hall, to be honoured in SkyDome, the provincially owned stadium where they play. Certainly, the covered stadium offered fans and city boosters more comfortable accommodation than the Square, including ready access to well-designed washrooms, an important consideration during the blustery, cold winds of October. It afforded everyone a clear sight-line, and enabled spectators to see the players, speech-makers as well as themselves in close-up on the stadium's gigantic (10 × 35 metre) Jumbotron screen. But locating public celebration within an enclosed stadium subtly changes the dynamic of power relations in the life of the city. Nathan Phillips Square invites people to participate as citizens on a roughly equal footing (see Figure 1). It can be entered by anyone at any point and time, and permits undifferentiated, fluid, serendipitous mingling. By comparison, both access to and location within SkyDome are controlled. When events are not taking place, visitors pay $C8 for a guided tour. When the stadium is in operation, the frequent audience close-ups on Jumbotron encourage the crowd to contribute to its own surveillance.[2] The dedication of the facility to male sport, the seating arrangements, which prominently elevate two tiers of private boxholders and give 'club' seatholders privileged access to restaurants, and the ever-present commercial messages testifying to the power and status of national and transnational corporations sustain and extend social hierarchy. Even though no admission was charged during the Jays' victory ceremonies, the concessionaires did booming business. SkyDome invites people to participate as consumers. To be sure, it affords room for alternative readings, even alternative forms of expression. But if the stadium has become the cathedral of the late twentieth century, as Michael Novak suggests,[3] it is no less heavily ideological nor patriarchal.



Figure 1. Nathan Phillips Square permits undifferentiated, fluid mingling.

This article will examine the development of Toronto's SkyDome, the political economy that led the Ontario government to assume responsibility for its construction and operation, and the role that it plays in the life of Toronto and the neighboring region. I will also share the thinking which went into the public authority's decision in 1991, just two years after it was opened, to sell SkyDome to the private sector. My perspective is that of an outsider on the inside. I spent almost 20 years in active opposition to the construction of a covered stadium in Toronto using public funds. I felt then, as I do now, that tax dollars ought to be first spent on extending opportunities for active physical activity and important social needs such as child care, education, housing and health. Wealthy corporations have no need for subsidization.[4] After the fight was lost, with a change in provincial government in 1990, I was appointed to the stadium board. 'Sometimes poachers make the best gamekeepers', Ontario Treasurer Floyd Laughren explained at the time.

From private to public entrepreneurship

The modern North American professional sports team has retained very little organic connection to the cities it claims to represent.[5] Players no longer develop in local clubs and leagues, but are purchased and traded in a globalized labour market. Only one of the victorious Blue Jays learned his baseball in Toronto, and only a handful have done so in the club's 17-year history. The rest are well-paid migrant labourers: they come from all over North America, principally the USA and the Spanish-speaking Caribbean, and return at the end of each season. In many respects, the sports franchise is not unlike its counterparts in the fast food or clothing industries; it sells nationally and internationally known brands in a protected market. If the owners deem location inadequate for its expectations of profit, they simply move to another city, no matter how much they disappoint the fans in their former area of operation. Despite these familiar practices, the North American sports franchise has been remarkably successful in mystifying its 'bottom-line' economics and inventing or refashioning 'communities' of team identification. Owners have exploited team loyalties to win concessions from local governments that would never be granted to capitalists in other ventures. In fact, in the period since the Second World War, as cities have become more vulnerable to the global mobility of capital, including sports franchises, the degree of public subsidization has increased. The most obvious form of subsidization has been the provision of facilities.[6] The practice began in earnest in 1956 when Walter O'Malley, the owner of the Brooklyn Dodgers MLB franchise, persuaded the city of Los Angeles to give him 315 acres of land intended for low-cost housing and other benefits to move his team across the continent.[7] Virtually every single North American sports facility built since has been either constructed or heavily subsidized by a public body. James Quirk and Rodney Fort estimate that the annual stadium subsidy effect in the USA is $US500 million.[8]

These advantages, and the spatial arrangements that they have effected, have not been won without vigorous politics. In Toronto, the construction of SkyDome by a public authority represented the reversal of a long-standing expectation that spectator sports facilities – even those intended for amateur sports – be built by entrepreneurs or autonomous bodies such as the University of Toronto. As Table 1 illustrates, the local state only assumed responsibility for the provision of commercial sport facilities when other options failed, first during the depression when the Toronto Harbour Commission assumed control of Maple Leaf Stadium (where the International Baseball League franchise played) in lieu of unpaid taxes, and then in 1958 when the Toronto Argonauts (Canadian-rules) Football Club moved from the University of Toronto's Varsity Stadium to the new facility

Table 1. From private to public ownership: commercial sports facility development in Toronto.

Facility	Opened	Major tenant	Ownership
Sunlight Stadium	1890	Professional baseball	Private
Island Stadium	1907	Professional baseball	Private
Arena Gardens	1912	Amateur hockey	Private
Maple Leaf Stadium	1926	Professional baseball	Private; but reverted to public authority when unable to pay taxes
Maple Leaf Gardens	1931	Professional hockey	Private
Exhibition Stadium	1919	Amateur sports	Public; renovated for professional baseball and football in 1975
SkyDome	1989	Professional sports	Public authority; in partnership with private consortium; sold to consortium in 1994

on the Canadian National Exhibition grounds. The idea of a completely covered stadium, initially proposed as part of unsuccessful Toronto bids for the 1960 and 1976 Olympics, was stalled for many years. In 1969, when a suburban alderman sought to develop a dome, he found neither public nor private appetite for the huge investment required. A few years later, when Paul Godfrey, the powerful Chairman of Metropolitan Toronto, the regional government, tested the waters for a publicly financed dome to attract MLB, he aroused a vocal opposition of ratepayers and amateur sports groups. While the sports columnists and business interests pleaded for a better facility, Godfrey was forced to settle for a renovated Exhibition Stadium. To assuage amateur sports enthusiasts displaced by the renovated field configuration, Metro was persuaded to construct a new track and field facility. It took the domed-stadium faction another decade of energetic trying and the direct intervention of an even more powerful politician, Ontario Premier William Davis, to create the SkyDome.

It was a significantly different situation in 1985 when Davis announced the establishment of the Stadium Corporation of Ontario (Stadco), the provincial crown corporation that constructed and managed SkyDome until the sale. The citizens' movement was in decline, with leading opponents of mega-projects out of office, in part because the success of its earlier efforts to preserve inner-city neighbourhoods took the anger out of its middle-class base. With the 1976 Montreal Olympics a fading memory, the amateur sports groups enjoyed far less political appeal. Widespread criticism of professional sport that accompanied the youth radicalization of the previous decade had subsided, and the growing fitness movement was increasingly drawn into the web of corporate discourse.[9] Ironically, liberal feminist campaigns to break down the last bastions of male-exclusive sports with well-publicized court challenges (such as Justine Blainey's successful suit against the Ontario Hockey Association) aroused the curiosity of women who had once scorned sports.

While the critical currents which had buoyed up the opposition to the earlier stadium proposals ebbed, the neoconservative tide was rolling in. With the waning of the Fordist economy, as David Harvey observes, cities have been transformed from centres of production to focal points of consumption organized around an immense 'accumulation of spectacles'.[10] Within this context, the Toronto elites aspired to achieve a 'world-class city' with cultural activities and special events similar to those found in other metropolitan centres. These desires were fed by the tremendous expansion of US commercial culture

into Canada, in the context of the global concentration of the communications industries.[11] In particular, the spectacular growth of televised sports gave leagues such as MLB new currency. Both public and private Canadian media are interlinked with the sports industry[12] and the stadium proposals enjoyed their full support. With three daily newspapers, seven independent television stations and several mass circulation weeklies, Toronto is a highly competitive market, but on this issue, all sportswriters and editorialists were of one voice. Uncritically equating the desires of their own industry with the needs of the 'community', they endlessly decried the deficiencies of the renovated Exhibition Stadium, where the Jays played, as a public embarrassment while touting the benefits of tourism for the region as a whole. Toronto's and Canada's honour and economy, they argued, required the dome (Table 2).

Unlike the municipal politicians who had to steer their proposals through unruly 'weak-mayor' councils, which could vote any way at any time, William Davis enjoyed the relatively unchallenged power of majority government with an effective parliamentary whip. In Canada, provinces have the constitutional power to impose their will upon municipalities. Nevertheless, Davis was hesitant to subsidize a domed stadium until he had obtained the promise of private capital contributions. His principal backer was Trevor Eyton, a corporate lawyer whose strategy of aggressive leveraged takeovers had made Brascan, the holding company of which he was chief executive, one of Canada's most powerful conglomerates.[13] Brascan held the controlling interest in Labatt's, the beer and food company that owns the Blue Jays, as well as The Sports Network (TSN), the cable network that telecasts many of the team's games. Eyton and the London, Ontario, based Labatt's had close ties with Davis' Conservative Party.[14] Eyton recruited 14 companies, each of which agreed to contribute $C5 million towards the costs of construction, in exchange for a box, parking privileges, first supplier rights and first refusal rights to advertising.[15] Along with the provincial contribution of $C30 million from lottery funds, and another $C30 million from the Municipality of Metropolitan Toronto, the offer of the Eyton group, Dome Stadium Inc (DCI), meant that $C130 million was available to build the stadium. With that much in hand, Davis confidently predicted that the stadium would not burden the taxpayers.[16]

Eyton also convinced Davis to depart from the widespread practice of locating new stadiums in the suburbs. The committee Davis appointed to choose a site recommended a little-used federal airport in North York, with a subway and an expressway nearby, an idea that was enthusiastically supported by suburban boosters and entrepreneurs. Instead, Davis chose the abandoned railway shunting yards, not far from the downtown commercial core.

Table 2. The campaign for a covered stadium in Toronto, 1954–1984.

Date	Advocate	Proposed ownership	Outcome
1954	Local politician	Public; planned as major stadium for 1960 Olympics	Unsuccessful; Rome got the Games
1967	Regional government	Public; planned as major stadium for 1976 Olympics	Unsuccessful; Montreal got the Games
1969	Local politician	Private	Unsuccessful; private capital said it was not profitable
1971	Regional politician	Public	Unsuccessful; citizen's coalition defeated it; Exhibition Stadium renovated as alternative
1984	Provincial politician	Public/private partnership	Successful

There, the stadium could serve multiple purposes. The railway lands were close to an expressway, subway and commuter systems and, most important, adjacent to a provincially owned convention centre. Like the locations of all earlier baseball stadiums, the site was near the lake (see Figures 2 and 3).

The previous decade of neighbourhood politics had made inner-city Toronto attractive for investment in entertainment and tourism. Upscale condominiums, shopping, restaurants and theatres, along with their more artistically adventurous low-rent competitors, had sprung up around several new publicly developed residential areas. Davis himself had contributed significantly to this process by stopping an unnecessary expressway planned to slice through the inner city. One of the most important new neighbourhoods was Harbourfront, the renovated docklands just south of the railway lands. Eyton, whose holdings included a trust company and who was a major developer, articulated the dream, for many of his class, of a major commercial development on the railway lands, with the domed stadium among its important amenities. It represented a new phase in the city's long history of waterfront redevelopment.[17] The federal government's railway company, Canadian National (CN), came to share the dream and agreed to contribute the land.[18]

'The world's greatest entertainment centre'

Designed by local architect Rod Robbie, SkyDome was constructed between 1986 and 1989.[19] The Blue Jays and Argonauts moved in as soon as it was ready. The final design included a hotel with 70 rooms overlooking the field, 7 restaurants and bars, a private fitness club and 500 underground parking spaces. There is a capacity for 50,000 baseball spectators, 53,000 football spectators and 67,000 rock concert spectators. The hotel and



Figure 2. The Toronto downtown and waterfront: the site of the SkyDome was occupied by railway land to the right of the photograph, taken in the late 1950s; note the Maple Leaf Stadium, bottom left.



Figure 3. The SkyDome and the CN tower.

restaurants had the effect of significantly reducing the number of inexpensive 'bleacher' seats, which traditionally have been wrapped around the outfield. Despite the pleas of Olympic leaders and the Ontario Ministry of Tourism and Recreation, proposals for an aquatics centre and a field configuration that would allow for Olympic track and field were not considered. SkyDome claims the world's first fully retractable roof, which can open and close in 15 minutes, the remarkable Jumbotron, the largest video display board in the world, a 'Skytent', a large acoustical curtain which creates a more 'intimate' space for 10,000–20,000 spectators and $C4 million of sculptures, decorative banners and water fountains (see Figures 4 and 5).

Astute management and the Jays' success have turned many of the original sceptics and critics, including this one, into admirers. Though the symmetrical, synthetically carpeted field has little of the idiosyncratic, pastoral charm prized by baseball traditionalists,[20] entrances, seats, concourses and washrooms[21] are well designed, and the staff are courteous and supportive. For many, SkyDome has become the preferred venue not only for sports but also for musical entertainment, circuses, family and trade shows. The number of event days has been increased from 165 in 1990, the first full year of



Figure 4. The SkyDome hosting the Toronto Blue Jays baseball team; note the retractable roof and the flexible seating arrangements.

operation, to 256 in 1993. Almost six million admissions have been paid each year; more than one-third of patrons come from outside Metropolitan Toronto; the Jays are sold out for virtually every game. Despite the limited parking under the stadium, traffic congestion before and after games has not proved to be a problem, because a majority of patrons uses public transport, or cycle or walk to and from events. The location has proved to be a great boon to the restaurants and bars in the area, and along with several theatres, the city's premier concert hall has contributed to a lively year-round entertainment district. During 1993, the stadium's popularity was further enhanced by several 'free' events, when hockey and baseball fans were invited to watch their teams play out-of-town play-off games on the Jumbotron screen. (These are nevertheless profitable occasions: Stadco receives 38% of concessionaires' gross revenues.) Audience surveys indicate a high degree of satisfaction. National Access Awareness, an advocacy group for persons with disabilities, has judged SkyDome the 'most barrier free' facility in Canada. The Ontario Liquor Control Board has honoured it for a 'commendably low incidence of alcohol-related incidents'. With these accomplishments, the industry has added its own praise: for each of the last four years, the US *Performance Magazine* has declared it the 'Stadium of the Year'. SkyDome presents itself as much more than a sports facility; it unabashedly calls itself 'the World's Greatest Entertainment Centre'.

Dealing with the debt

Despite its unprecedented success, SkyDome had grave financial problems, stemming from construction overruns of more than $C300 million. Whether Davis, his colleagues and advisors ever believed the original estimates is a moot point, because the Conservatives were out of office when construction actually began, defeated by David Peterson's Liberals. (Davis himself retired shortly before his party's collapse; he was

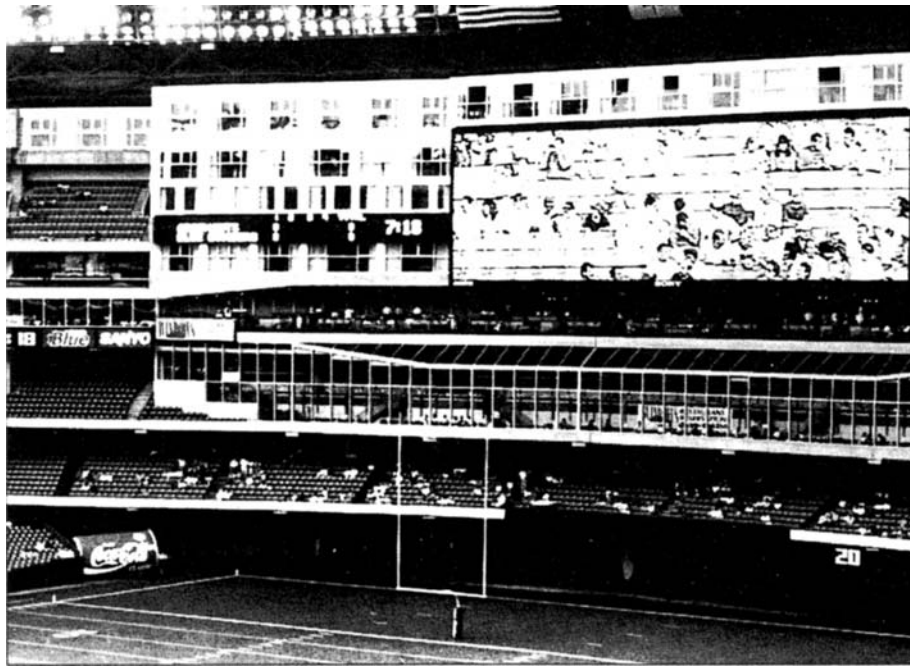


Figure 5. The 'Jumbotron' at work as the SkyDome awaits the Toronto Argonauts football team.

appointed to the Stadco board.) The Peterson Government showed little interest in controlling costs, perhaps believing, during the frenzied spending of the mid-1980s, that economic growth would continue unabated. In such an environment, the 'fast-track' design process, the last-minute addition of the hotel, restaurants and the fitness club, the decision to use 'top-of-the-line' materials and furnishings, and the undertaking to open on schedule, no matter how much overtime was necessary, contributed to rapidly escalating costs. When it became clear that the initial investment was insufficient, Eyton recruited another 16 firms with another $C80 million. The advance leasing of private boxes and 'club' seats raised another $C60 million.[22] But that was still not enough. When the stadium opened on 3 June 1989, the total cost had soared to $C562.8 million, the overrun to almost $C300 million. Putting the finishing touches on construction continued well into the following year, pushing the final cost to $C580 million (see Table 3). In addition, SkyDome faced an estimated $C70 million in legal claims and costs in construction-related disputes. As these were settled (eventually for about $C30 million), the amounts were added to the tab. Such an enormous debt meant that, despite record revenues and a tight rein on operating expenses, which combined to produce sizable annual operating surpluses, interest charges, depreciation and taxes put the annual totals into the red. In 1993, for example, there was an operating surplus of $C35 million, but interest, depreciation and taxes turned that into a loss of $C14 million (see Table 4). In the first four full years of operation, the 'Stadium of the Year' lost $C107 million.[23] On 31 December 1993, the debt stood at $C398 million.

When Stadco and DCI contemplated the stadium in operation, they envisioned a public–private partnership that would manage it along business lines. The draft agreement gave the DCI member corporations the lion's share of any profits, but required both the

Table 3. 'The best laid plans' (all amounts in $C millions).

	Cost	Government	DCI	Boxes	Debt
Original plan (January 1985)	150	60	70		20
Construction[a]	580	60	150	60	310
Annual cash profit/losses (not including depreciation)					
1990	(21.9)				321
1991	(13.9)				361
1992	(3.7)				374
1993	4.1				398[b]

[a] Whereas SkyDome opened on 3 June 1989, construction continued well into 1990.
[b] As of 31 December 1993. Includes $C30 million in litigation settlements.

Province and the DCI members to contribute to any losses, with a formula for loss of equity and privileges if any of them refused to pay. The partnership was to go into effect on the day the stadium opened. But DCI gave themselves an escape clause: if the debt rose above $C165 million, they could pull out of the partnership with Stadco. When it turned out to be more than twice that amount, DCI refused to sign, leaving the crown corporation solely responsible for the mounting debt, while they enjoyed their boxes and first supplier monopolies. The chief beneficiaries of the ensuing subsidies were the Blue Jays. Originally purchased for $C7 million in 1977, the Jays are now worth an estimated $C180 million, and *Financial World* recently ranked it as the third most valuable sports franchise in North America, behind the Dallas Cowboys of the National Football League and MLB's New York Yankees. Other partners – and the capitalist class as a whole – gain advertising and legitimation benefits. Boxholders gain a fashionable place to do their business with clients. They are doubly subsidized, because they can also deduct 50% of their costs as a business expense.[24]

The Peterson Government was unexpectedly defeated at the polls in September 1990 by the social democratic New Democratic Party (NDP) led by Bob Rae. One of the first riddles the new government had to solve was Stadco's runaway debt. With interest rates at

Table 4. The burden of the debt on SkyDome finances.

	1990	1991	1992	1993
Events				
Number	165	187	237	256
Attendance	5.2 million	5.5 million	5.9 million	5.7 million
Financial results (in $C millions)				
Revenue	44.2	45.6	47.9	47.3
Expenses	16.7	15.7	13.9	12.3
Operating surplus	27.5	29.8	34.0	35.0
Less				
Interest	39.2	34.0	27.0	20.7
Tax	10.2	9.7	10.7	10.3
Annual cash				
Surplus (losses)	(14.0)	(21.9)	(13.9)	4.1
Less				
Depreciation	17.3	17.9	18.0	18.3
Net loss	(39.2)	(31.8)	(21.7)	(14.2)

14%, the debt charges for that year were $C39 million. Despite record attendance for the Jays and other events, which after expenses brought SkyDome $C27.5 million, interest, depreciation and taxes produced a loss of $C39.2 million for the year. With the capitalization of these annual losses, Stadco faced the frightening prospect of a spiral of debt, a difficult burden for any government, but an extremely onerous one at a time of deepening recession. It was at this time that I was appointed to the Stadco board, along with Bob White, a successful labour leader and negotiator. (White was President of the Canadian Auto Workers; he now heads the Canadian Labour Congress.) Ontario Treasurer Laughren also appointed a five-man negotiation committee (chaired by White, and including me, two other members of the board, businessmen Paul Morton and Ron Fournier, and SkyDome President Richard Peddie) to meet with DCI to find a solution.

Essentially, we had three options: (1) retain and operate SkyDome as a public corporation; (2) force the partnership with DCI or (3) sell it outright. Those who felt SkyDome to be an unquestioned benefit advised us to get the Province to pay off the debt with a lump sum and keep the stadium, arguing that the NDP would earn political credit for the operating surpluses that could be expected in good years. But that option was simply not acceptable to the government or to us. It would have meant spending funds that it hoped to invest in social programmes and capitulating to the socialization of risk and the privatization of profit. Even if the Treasurer had paid off Stadco's debt, he would have had to borrow to do so, so the Provincial obligations would not have been reduced. We did explore the option of forcing the partnership, but received legal advice that this would almost certainly not be feasible without first bringing the debt down to below the $C165 million ceiling, which would have required $C203 million. Even then, SkyDome would have been encumbered with a debt that the expected operating revenues could not service, let alone discharge. So we tried for a sale, which had the advantages of generating some private funds to reduce the Treasurer's problems, and stopping the haemorrhaging once and for all.

After protracted negotiations with DCI and consideration of bids from other entrepreneurs, in November 1991 we reached an agreement to sell SkyDome to Eyton and a smaller grouping of corporations (which became Stadium Acquisitions Inc)[25] and recommended this to the Treasurer. Because of the complex multiparty legal structure which underlay the stadium, more than two years of further negotiations were needed to implement the sale.[26] The deal was finally closed in March 1994.[27] Under its terms, the Province received a $C151 in cash, and various provisions to protect it against a quick flip. The sale enabled the Province to walk away from SkyDome at a cost to taxpayers of approximately $C263 million (not including the original $C60 million in public contributions). Since the Blue Jays are closely tied to the purchasers, it will have the added benefit of providing some disincentive against franchise flight if the team becomes less profitable in the future. To the best of my knowledge, it is the only 'privatization' of a money-losing stadium and its financial risks in North America.

The dilemma of public ownership

As a 'Schedule II' provincial corporation, SkyDome was planned and managed from the beginning as a revenue-maximizing 'business'. While board members and senior management were sensitive to public issues and trends, nothing was allowed to interfere with the 'bottom line'. Although it started to accommodate high school, college and community events and to raise funds for charities, Stadco had no policy to attract and support non-profit groups; on the contrary, it gave privileges to its most frequent corporate

customers, such as the Blue Jays, and turned away community organizations with risky ventures. The senior management was paid according to industry rather than civil service standards. In the first heady days of the new NDP Government and my appointment to the Stadco board, some friends and I wondered about whether and how we could subvert this logic, to transform the 'corporate culture factory' into the 'people's pleasure palace'. We dreamed about booking events by Toronto artists and athletes, especially women's sports teams, using the Jumbotron to celebrate Ontario amateur athletes and to provide a public outlet for fans' voices, allowing fans to bring in their own food (so that they would be not held captive by the DCI monopolists), developing a more democratic allocation of tickets and giving community groups access to SkyDome's broad concourses. But our mandate of reducing the debt forced me to bite my tongue lest Stadco scare away the corporations that provide the bulk of its revenue and risk incurring even heavier losses.

The dilemma confounding any populist strategy is that Stadco's revenues were highly dependent upon the activities of the corporations and the sustained satisfaction of the elite groups that it subsidized. Rental and concession income (about 32% of revenue) depended upon the ability of the Jays, TSN, Labatt's, McDonalds, Bitoves, Coca Cola and the other partners to produce and sell their spectacles and associated products. Advertising on the Jumbotron and elsewhere within the stadium (another 20% of revenue) depended on the presence of an affluent audience with the demographics that advertisers sought to reach. Attracting and retaining an affluent audience was crucial for still another reason: the 'club' seatholders and corporate boxholders contributed a whopping 40% of revenue through their seat and box rentals. (The remaining 8% of revenue came from the hotel, the fitness club and parking.) In short, any effort to check the activities of the corporations and reduce the privileges of the elites would have seriously jeopardized revenue flows.

It was not just the debt that led some of us to pursue the 'privatization' option. The fundamental logic of the stadium requires the economic and ideological reproduction of the national and transnational corporations, while enhancing the consumption of the elites who work within and with them. Although we were not in a position to overturn this logic, we did not wish to legitimate it any further through the continued ownership of a social democratic government. A sale would not only put the stadium into the hands of those with the best chance of making it a success but it would also clarify the questions of benefit and control. As engaging as it may be for many, SkyDome markets a carefully controlled, masculinist, consumerist culture, with a highly artificial sense of belonging and place. The ads, the fillers, the electronic cheerleading and the sound effects are similar, if not identical, to what one sees and hears in other stadiums and arenas across the continent. The result is not only the 'corporate takeover of public expression', as Herbert Schiller has argued in another context,[28] but also the silencing of indigenous voices. Defenders of the subsidy claim that SkyDome is not unlike the publicly owned and operated Art Gallery of Ontario, Roy Thomson (Concert) Hall and the St. Lawrence Centre (for the Performing Arts). Certainly, SkyDome provides a stage for enormously popular cultural forms. But there is a key difference between it and these other institutions: despite their own fascination for 'world-class' touring exhibits and performers, they actively contribute to the identification and nurturing of Toronto and Ontario artists and provide for the exhibition and performance of their work, much of which explores the particularity of the experiences of those who live here. While SkyDome engages the best of the continental name-brand entertainments, it largely ignores – and thereby marginalizes – the development of the athletes and artists of Ontario.

In gender terms, 'what the province has done is kick in $C300 million exclusively for men's pro sport', Ann Peel of the (Toronto) Women's Sport Network (WSN) has argued.

The WSN is demanding that an equal amount be spent on women's sport.[29] The uncritical reproduction and celebration of male sports also contributes to what sociologist George Gerbner calls the 'symbolic annihilation' of women.[30] I am a devoted Jays fan myself. But I cannot ignore that the uninterrupted display of male prowess ideologically reinforces the power and privilege of men, and the corresponding marginalization of women, while leaving the gendered nature of sports unexamined. Women as well as men are capable of difficult, dramatic and pleasing feats of grace, agility, strength and teamwork, but we are encouraged to forget this in SkyDome. I think of it as the 'men's cultural centre'.[31] Perhaps, it is utopian to dream of alternatives, but I still believe that public investments should contribute to a more equitable, democratic and interesting public culture.

Of course, SkyDome enthusiasts point to economic benefits. The Metropolitan Toronto Convention and Visitors' Association estimates that the stadium (including the hotel) generates $C352 million in annual direct spending, including $C70 million in provincial taxes – considerably more than the annual deficit.[32] But as Robert Baade has argued,[33] such estimates are methodologically flawed. They ignore any decline in entertainment spending elsewhere in the region and discount the 'leakage' experienced when beneficiaries spend their earnings outside the local economy. Baade's method has been to examine overall economic growth rates before and after the stadium is constructed. In particular, he seeks to determine the extent to which public stadium investments generate: (a) 'export' earnings (expenditures by individuals and businesses from outside the region) and (b) import substitution (a reduction in entertainment purchases outside the region). He also considers their opportunity cost (the likely benefits from alternative investments). After investigating the experience of 47 US cities, he concluded that 'public funding of professional sports, particularly as it relates to stadiums, is not a sound civic economic investment. If opportunity costs are included, ... [it] may well exhibit negative returns' by encouraging low-wage industries.

In a study of seven small municipalities in the region of Dallas–Fort Worth, Texas, Mark Rosentraub found that the cities that had invested in stadiums experienced a substantial increase in debt without a commensurate increase in revenue or services. This result led him to conclude:

> It almost appears that the middle and lower classes are being asked, through their elected officials and governments, to reduce the risks of investment for individuals and corporations whose income and wealth are but dreams for the millions who pay their local property taxes ... With the returns on investments in professional sports as substantial as they are, it is time the elites involved took the capitalist risks they are so fond of recommending for others and stopped using the collective financial strength of cities to minimize their risks.[34]

In Fort Wayne, Indiana, a decision *not* to invest in a minor-league stadium seems to have spurred economic growth.[35] The evidence seems conclusive that subsidizing the sports industry is not in the public interest.

The need for alternatives

Yet, the entrepreneurs' appetite for public subsidy shows no sign of abating. Such is the celebrity of professional sport that there are still politicians and boosters eager to feed it. At the time of writing, four National Hockey League (NHL) franchise ownerships are demanding further concessions from the Canadian cities in whose arenas they play, and the local and provincial political leaderships are scrambling to satisfy them. In Winnipeg, the owners want a $C200 million new arena, and they threaten to take the team elsewhere if not satisfied.[36] The National Basketball Association has just wrung tax concessions from

the provinces of Ontario and British Columbia as a condition for locating franchises in their principal cities, Toronto and Vancouver.[37] As Alan Ingham has written, 'when capital confronts community, it is capital that wins the day'.[38] Obviously, new strategies are necessary.

For a municipality, however, there are very few options. To the extent that sports teams contribute to 'a sense of continuity and unity in a discontinuous and increasingly atomized society'[39] and are valued for the identification and cultural dramas they provide, a majority of citizens may well decide that the investment in sports teams is worthwhile. But these decisions should be made by a broad, democratic process. Cities should expect equity and publicly accountable management of any subsidized franchise and perhaps establish tourist-targeted taxes to capture some of the subsidy-induced growth. (SkyDome's Richard Peddie suggests a surcharge on hotels, restaurants and car rentals for this purpose.) On the other hand, the tremendous costs involved may well produce the discipline necessary to break the dependence upon the drug of 'world-class' culture and end the subsidies. If subsidies were simply not granted, and money-losing stadiums were demolished, it would force the sports franchise to construct its own production facility, operate on a more realistic budget or locate elsewhere. Although extremely disappointing for the dedicated fan, the loss of a sports franchise is hardly the cultural end of the world. (Saskatoon, without an NHL team, is just as interesting a city as Winnipeg, which owns shares in one.) It would probably mean that more public funds would become available for local sports and the arts.

Yet the economic unit of commercial sport is the league, not the franchise. League-wide policies, such as the presence or absence of revenue sharing, can intensify the franchise pressures upon cities, especially in the so-called 'small market' areas. Leagues will continue to play one city off against another unless coordinated national and continental strategies are developed and implemented. In this regard, there are a growing number of useful proposals being considered. For example, municipalities could join together to bargain collectively with the leagues for a fairer share of the monopoly-created revenues.[40] National governments could regulate the leagues, all of which operate as monopolies, like other utilities,[41] or levy a special surtax on professional sports, as Ontario once did through the Ontario Athletic Commission, using the proceeds to provide grass-roots opportunities for a broad range of physical activities and recreation.

Or, since state intervention goes against the reigning political orthodoxy, national governments could simply break up the monopolies, by prohibiting or regulating the franchise fee, thereby drastically reducing the barriers to entry and the ability of franchise owners to bargain with cities. Andrew Zimbalist believes that many of the current inequities could be overcome by making sports franchises available to all those cities that wanted them.[42] Any of these strategies would have a profound effect upon the sports industry. It might well mean that profits and salaries would drop considerably. But given the revenues involved, there is more than enough for the industry to pay its full costs of production and its fair share of taxes, and still end up in the black. I have no doubt that commercial sports – and fans' pleasures – will survive.

Such joint strategies will be difficult to implement. They will require both citizens and elected officials to recover from the illusion that commercial sport uncategorically serves the broad public interest, no doubt a heroic task given the ideological power of the sports media complex. But the result could unleash a much more critical examination of the spatial and cultural needs of the city. That in itself would be worth the effort.

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Notes

1. Careless, *Toronto to 1918*, and Lemon, *Toronto Since 1918*, provide comprehensive histories.
2. Ioan Davies, in a Foucaultian echo, calls SkyDome the 'entertainment arena as panopticon', personal communication with author, February 2, 1993.
3. Novak, *Joy of Sports*, 126. For a useful discussion of the development of enclosed stadiums, see Bale, 'Spatial Development'. The provision of open space is not sufficient to facilitate undifferentiated mingling; for a comparison of the spatial basis for 'festival' at three Olympic Games, see MacAloon, 'Festival, Ritual and Television'.
4. Kidd, 'Bruce Kidd Turns Thumbs Down'; 'No to the Domed Stadium'; 'Safeguarding the Public Interest'.
5. Euchner, *Playing the Field*; Gruneau and Whitson, *Hockey Night in Canada*; Ingham, Howell, and Schilperoort, 'Professional Sports and Community'; Sage, 'Stealing Home'.
6. Another significant form is tax subsidy, especially the owners' depreciation of players and businesses' deduction of tickets and boxes as expenses. In addition, state-supported schools, colleges, universities and national sports organizations train athletes for careers in the industry, while socializing non-athletes to become paying spectators. In the USA, the Supreme Court has exempted MLB's monopoly from anti-trust legislation, while Congress has sanctioned the National Football League's monopoly through the 1966 Football Merger Act.
7. Lipsitz, 'Sport Stadiums'.
8. Quirk and Fort, *Pay Dirt*, 171.
9. Ingham, 'From Public Issue to Personal Trouble'; Brodeur, 'Employee Fitness'.
10. Harvey, 'Flexible Accumulation Through Urbanization'.
11. Nelson, *Perfect Machine*; Hudson, 'Satellite Communications in Canada'.
12. Jhally, 'Spectacle of Accumulation'.
13. Best and Shortell, *Brass Ring*.
14. In 1990, Conservative Prime Minister Brian Mulroney appointed Eyton to the Federal Senate.
15. The $C5 million gave them these rights for 10 years, but they also got the right to renew them in 1999 for $C100,000 for another 89 years.
16. Macaulay, Bremner, and Schipper, *Stadium Study Committee Report*.
17. Desfor, Goldrick, and Merrens, 'Political Economy of the Water-Frontier'.
18. They agreed in exchange for the right to transfer density from the stadium lands to its other holdings. The stadium and its grounds occupy 15 acres of the approximately 105 acres of CN lands slated for redevelopment. The plans for redevelopment have been the subject of perhaps the most protracted political battles in the city's recent history as CN sought to maximize the amount of commercial and institutional office space they could build, while a broad coalition of residents, labour and public interest groups wanted residential neighbourhoods. In 1986, CN won approval for a 5.1 million square feet of commercial and 5.1 million square feet of residential development. But the subsequent recession exposed millions of square feet of unrented office space, so the development has not begun. At the time of writing, CN is seeking an official plan amendment to permit 5.5 million square feet of residential, while scaling down the commercial to 4.4 million square feet.
19. Filey, *Like No Other in the World*.
20. Bess, *City Baseball Magic*, 1–48.
21. To reduce frustrating queues, almost twice as many toilet facilities were installed for women as for men, a feature which has contributed to rising attendance by women. In 1993, females comprised 49% of the Jay's 4.1 million patrons.
22. The DCI members were: Ainsworth Electric, BCE, Bitove, Canadian Airlines, Canadian Imperial Bank of Commerce, CN, Coca-Cola, Cogan, Controlled Media, Crupi Group,

Degasperis-Muzzo, Ford, Hiram Wælker, Imasco, Imperial Oil, McDonalds, Merrill Lynch, Nabisco, Nestle, Olympia and York, TSN, Blue Jays, Toronto Sun, Trilon, George Weston and Xerox. In addition, three breweries, Labatt, Molson and Carling-O'Keefe (subsequently acquired by Molson) each contributed $C5 million. The boxes cost from $C100,000 to $C250,000 per year, depending upon location, and the 'club' seats from $C2,000 to $C4,000, plus an annual subscription. Both were leased for 10 years.

23. Robert Baade recounts that in 1990 he was flown into Toronto to advise SkyDome on how it could become profitable. 'All you'll need is 450 paying dates a year', he wryly noted.
24. Prior to June 1993 for provincial taxes and February 1994 for federal taxes, the deductibility was 80%. That continues to be the rate for unincorporated businesses. The Ontario Fair Tax Commission, *Fair Taxation*, 239, recommends that entertainment deduction be abolished altogether. If implemented, this proposal would have a significant dampening effect upon commercial sports.
25. The members are the Canadian Imperial Bank of Commerce, Coca-Cola, Controlled Media Corporation, Ford, TSN and the Toronto Sun from DCI, plus a group of private pension funds, Penfold Capital.
26. The deal became an 'annuity for lawyers'; the transaction costs for both parties came to more than $C11 million.
27. M. Mittelstaedt, 'Ontario Unloads Dome at a Loss', *The Globe and Mail*, March 17, 1994.
28. Schiller, *Culture Inc*.
29. J. Christie, 'Women's Place is in the Dome', *The Globe and Mail*, November 1, 1990.
30. Gerbner, 'Dynamics of Cultural Resistance', 44.
31. Kidd, 'Men's Cultural Centre'.
32. Metropolitan Toronto Convention and Visitors' Association, *Economic Impact Analysis*. Of course, the different levels of government will continue to enjoy tax revenue from the privately owned SkyDome.
33. Baade, 'Stadiums, Professional Sports and City Economies'.
34. Rosentraub, 'Public Investment in Private Businesses'.
35. Rosentraub and Swindell, 'Fort Wayne, Indiana'.
36. William Houston and David Shoalts, 'Canadian Cities Play on Thin Ice', *The Globe and Mail*, January 4–7, 1994.
37. C. McInnes, 'Big-League Basketball Coming to Toronto', *The Globe and Mail*, February 11, 1994.
38. Ingham, Howell, and Schilperoort, 'Professional Sports and Community', 437.
39. Ibid, 461.
40. Euchner, *Playing the Field*, 179–82.
41. Cf. Gray, 'Keeping the Home Team'; Ross, 'Monopoly Sports Leagues'.
42. Zimbalist, *Baseball and Billions*, 167–86.

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