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Risk Societies - Towards a Paradigm  
and Policy Shift?!

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Cultural Management Education in  
Risk Societies - Towards a  
Paradigm and Policy Shift?!

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# **Culture center as a universal and sustainable public culture space**

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## **Abstract**

What does it mean “a culture center” and what is a role of culture center in a local life? It can be a space to meet different kind of art and to be a part of. There are many different forms of culture centers work. For many people it’s only one possibility to have a personal emotional experience of meeting arts.

What are the most important questions and problems for culture centers in Czech Republic? In our post communist country are many culture houses, just buildings with no culture content any more. But in many places we can also find successful culture activities. Good practices in Czech Republic and abroad can be a possibility to show to the community and to municipal politicians new possibilities to build a well-being and a patriotism in a region.

Keywords: local culture, culture center, creativity, municipality

## **Introduction**

We speak very often about creative industries. We can see many different kinds of art and creativity together and Cultural Centers are a regular part of creative industries. It is very good concept to explain what and how important the creativity is for the whole society. However, we can see that it is really a lot of work to talk to politicians about. Politicians in high-level policy started to understand this topic. But what about regions? We should talk about Quality of Life (QOL) and about a culture and arts as the very important factor of QOL. Sometimes politicians in small towns and villages think that making a culture policy is only for the state and maybe for big towns, that it is not necessary for their small municipalities. We have to say that also, many of big towns still do not have any strategies for culture, they just don't mention any culture, leave it as a part of a tourist attraction or an education or connect it with free time activities into a shadow of sports. In many cases they just say “we have a culture house”, but they don't care whats going on there.

In small municipalities are usually not many possibilities for inhabitants to participate in a culture and arts. Creative industries as a concept looks to be too big, too sophisticated to help in the local situation. People do not understand well. They feel good if they have a good personal experience and if they can share that experience with friends. That kind of experience is very often connected with a culture event or a community activity. There is a good opportunity to use a public space for to get people together and support.

## **1. Culture Center definition**

A Culture Center (CC) we can define as a building or a space where art, culture and social events are going on. These events can be theatre performances, musical concerts, exhibitions, free-time culture, artistic and educational activities and community meetings as well.

### **Situation in the Czech Republic**

Culture centers or Culture Houses are located in almost every small town or village and are usually the best place for many kinds of culture and social activities. Nevertheless, there are very different approaches. Some

of them are not the space for culture any more. They were sold out or became back to their former private owners. Now they are used in many different ways, for a business, for to live in, also for nothing - it means they are in a terrible technical condition and in many cases it is not possible to go in.

I would like to talk about an existing and working forms of CC. For the quantitative research I used questionnaires sent by email, annual reports and economic informations. In quality part of research, which is still going on and maybe will never end, are study visits and interviews.

By the legal system CC in Czech Republic can be established and operated as a commercial company and as a non-profit organization. The other way to split Cultural Center to groups is connected with a founder. It can work on as a municipality organization or as an organization based on a civic activity, both of them in both of mentioned basic legal forms - commercial or non-profit.

At this point we can hear a lot about an independence. But that's the political and ideological independence, we usually cannot talk about the financial independence. Private centers without any connection with the local government also ask for different kind of a municipality support, mainly financial. But political independence is very important, in particular, in the post-communist countries.

In the local culture and the local art activities, I split the audience into two categories where one largely arises from the other. I talk about the passive participation and the active participation. The passive participation is that kind of an activity when people are coming as an audience for to see or hear some performance, concert or exhibition done by some artists. Of course, it is not passive participation at all. They have to find informations, to decide for to visit the event, to prepare themselves, to buy tickets and to go, to invest their money and their time. Maybe they also have to break some barriers we can learn about in audience development researches.

The second group of people in the audience is made up of active participants. They want to be a part of the social and culture life and they do. They create theatre, musical or dance groups and organize community activities. Very often, they are also a part of the passive group, they are arising from the first one. But not in every case. I found out a fact that some of those active people do not participate in the passive group. There is a lot of space for an audience development. As we know, people are very different so we have to try to find possibilities for cultural activities and nice emotional experiences for both groups and also to look for new ways how to attract those who have never been participating in any event neither actively nor passively. In this system we can probably talk about the third and very important group. There is a big potential for to grow up Quality Of Life conditions.

### **The situation in Czech municipalities**

Culture houses were very important spaces for the period before the political changes of 1989 year. The concept of cultural houses as a local culture centers started in 60's of 20th century. But the idea of a community culture centers is even older. In the end of 19th century some associations created their own houses for to meet their members and for to prepare presentations for local community. In 60's and later until 80's of 20th century were built several culture houses, almost in every town and village. They were built with special parameters connected with the locality, mainly the number of population, as the part of the necessary amenities the villages, towns or city districts. Of course, the main reason was to use the power of arts and culture for to give the "right" political ideology to the people as much as possible. Their productions were under the absolute control of the state.

The main assumption is that there is a building in the village or in the town and that building was a culture house, maybe still is. How does it work now? We are looking for examples of good practices. There are not so many places in Czech Republic where you could find a private culture center. The situation of centers directly connected with a municipality is very different for each of them.



In the first part of the research, I decided to explore centers in different places in the Czech Republic and abroad. The goal was to have as much-detailed picture of local centers.

We can see, that the central system of monitoring, management and methodological support in culture and arts in Czech Republic was broken at all levels. That decentralization is the positive process giving the space for local activities. But there is also the second side of the coin. Municipalities have to find their own way to put a culture into their strategic plans and they get a bit lost. They have no support from the state. Some of them do not care about a culture. Some of them are focused only on culture heritage and monuments, because it is visible, we can touch it. How to make a live art and culture also more visible? There are probably many possibilities. One of that is to do it by presenting good practices.

It is necessary to make a study visits to get the right picture of the situation. For Czech Cultural Centers is very good to see examples from our country and also from abroad to motivate culture activists do not stop too early because the process of a cultivation all society never ends and takes a lot of time. It is necessary to cultivate the audience, politicians, donors, stake holders etc. Culture represented by activists must find the way to take care about themselves. Even if municipality gives a good support, without active, educated and experienced people there is not any quality of culture life. That is no surprise, it is the same as in each part of business and society - that's necessary to have the right people on right places.

Cultural Centers run their activities usually during whole the year. The most frequent practical problem I have met is that in many cases they have to stop working during the winter to spend money for heating spaces. We can also say that Cultural Centers do not have a long-term financial strategy. The most often mentioned reason is that the political situation is changing and they cannot imagine their work without the municipality support, which is not stable or is very small. They are afraid to make long-term plans. There is also the special reason coming also from the period before 1989. There were no realistic five years long plans of the socialism development. People still learn how to make their plan well.

They can make projects of whole year activities or short terms projects, but for both examples is necessary to think about a multiple-source financing. There is a big problem in case of municipality founded organizations. Very often, they are not authorized applicant for the financial support. They have to do everything through the municipality and it takes time and risk that whole local government will not agree. Few of municipalities changes the legal form of their culture organizations, but that process does not continue because results are only partly successful.

I would like to present only some part of the basic survey. I asked 600 organizations or individual providers of Cultural Centers using two different official database to find them. Many of those contacts were not working any more. I did not find the way how to make a central mapping of Culture Centers in Czech Republic yet. During the mentioned first basic survey I received 67 answers. I found out, that the very complicated question in municipalities is the legal form. They have no educated and experienced people to talk about it. They just have a building without the program. There are twenty of those sixty-seven, who has any own legal form, it is just the house without any program owned by the town and the program is going on only in case when somebody comes to rent the space. Almost half of those Culture Centers have a legal form, but strongly connected with the municipality. More than half of Centers are located in villages having 2000 till 10000 inhabitants. There are also very critical points. For example, only 65 % of respondents have their own websites or email address even they declare some program running.

About the situation, I can show a few of survey results in Tables 1, 2, 3, 4, 5.

**Table 1 – Location of Cultural Centers in the Czech Republic**

**cultural centers in CZ – events**

PROGRAM	TOTAL	% OF TOTAL
cultural events	64	96
residencies, rehearsals	39	58
free-time, education	47	70
Other	32	48
no answer	1	1

**Table 2 – Events in Cultural Centers in the Czech Republic**

**cultural centers in CZ – location**

LOCATION	TOTAL AMOUNT
urban	55
rural	9
other	3
	<b>67</b>

**Table 3 – Activities running in Cultural Centers in the Czech Republic**

**Cultural centres in CZ - running activities**

ACTIVITY / EVENT	TOTAL AMOUNT	% OF TOTAL
Concert	58	94
Theatre	57	92
dance, moving theatre	45	73
for children	59	95
for school groups	53	85
exhibition, visual arts	45	73
Cinema	39	63
Library	20	32
education, free-time	27	44
association, club	44	71
Community	19	31
Other	12	19

**Table 4 – Renting spaces for different activities, Cultural Centers in the Czech Republic**

**Cultural centers in CZ - renting spaces for**

RENTING SPACES	TOTAL	% OF TOTAL
culture activities	61	91
residencia, rehearsals	37	55
education	46	69
school activities	59	88
social events	54	81
conferences, seminars, meetings	57	85
business events	46	69
others	13	19
not mentioned	2	3

**Table 5 – Financial sources in Cultural Centers in the Czech Republic**

**cultural centres in CZ - financial sources**

SOURCES	TOTAL	% OF TOTAL
own incomes	62	93
public sources	65	97
privat sources	17	25
no answer	2	3

To make a local culture strategy is important for every place. To talk to the people not only in the high political level, but also in the region to explain to them that they should want to have a live art and culture for to help QOL as high as possible. Running Culture Centers looks to be one of ways to do it. In small places people can initiate a lot. They know each other very well, they can cooperate and be very creative, they feel that they do it for themselves.

## **2. Two short examples**

### **Diod Theatre, Jihlava, Czech Republic - TJ Sokol Jihlava, [www.diod.cz](http://www.diod.cz)**

Jihlava is the town with fifty thousands inhabitants located in the middle of the Czech Republic, near to the main highway making a very good connection with Praha and Brno as two biggest cities in the Czech Republic. In the town we can find one professional theatre with two stages playing almost every day, two independent theatre groups playing few times per month and renting spaces, one big culture house founded during the communist period, now working as a business company, one small theatre building without any regular programming, one multiplex cinema, one cinema with two small halls and the alternative culture center DIOD - the black box hall rebuilt in 2010-11 from former old cinema hall. The idea was to have the space for new, experimental, independent theatre and musical projects.

The cultural policy of the city is accentuated alternately. For example in 2007 was conducted a sociological survey about the culture in the town and inhabitants opinions of the cultural offer. Subsequently there were several meetings with representatives of politicians and culture organizers. This activity resulted in a document declaring Culture strategy in Jihlava 2008 - 2013. The period of validity of this document already expired. Currently there is a Strategic Development Plan for years 2014 - 2020 and culture is incorporated into general development plans along with sport and tourism. The town hall works on a specific document focusing on the local cultural policy.

The building where DIOD theatre is situated is owned by the Sokol, a Czech association founded in the end of 19th Century as a sport and cultural community organization with the mission "in the health body healthy mind". After 1989 Sokol continues many of activities using many buildings for sports and culture again. In Jihlava it was a big building with a sport hall and cinema. There were four cinemas in the downtown included Sokol. In the moment when was decided about to build a new multiplex cinema was by that also decided about the end of those old cinemas. Sokol was looking for a new opportunity and at the same time people representing a local independent theatre group suggested to change the cinema hall to the black box multifunction hall for culture events. It was a big start. This new space gives the possibility to change the settings and the capacity. The hall is six meters high and it is possible to have a hanging points for a scenography, lights or aerial acrobatics in many different dispositions. The program is open for many kinds of arts, community activities, and events. They say about themselves: "We also host drama and dance projects from all over the country and thereby we expand the awareness about contemporary art in the region." There are also a few education activities running.

"DIOD has an ambition to become a center, where social and artistic questions will be discussed and where the community life and the values of civil society will be fulfilled. With foundation of DIOD the new important spot appeared on the map of the Czech Republic for all independent ensembles to present themselves and create. DIOD has no legal subjectivity; it is operated by TJ Sokol Jihlava. Statutory town Jihlava became a partner of this project."

Informations about the program are translated into English and German for to attract foreign visitors too. Physical and dance performances, pantomime and acrobatics without language barriers are special selected. "Productions presented there can not be seen elsewhere in the region." Black box, color combination of black and blue, 12 x 18 m without a fixed stage and auditorium, everything is built according to the requirements. In the ceiling are two rectangular structure usable for a light systems and as hanging points for acrobats. Fixed projection screen 10 x 3.5 meters, the two projectors. Hall capacity is 150 seats.

Local theater group De Facto Mimo Theatre and the T.E.J.P. Theatre rent the space using their own sources of funding. They have money from the municipality, pay rent for using the space for rehearsals and performing. One important part of the program are unique performances of best independent companies as Spitfire Company, VerTeDance, Me-Sa and the others. DIOD theatre became very famous in the region Vysočina and in the Czech Republic. Renting of the space makes 65 % of the theatre running time. 45% of the time are events and activities organized by the team of two full-time working producers, one part-time working accountant, two technicians as freelancers and volunteers working for other services.

The important part of the program are festivals: two international festivals located basically in Praha coming to DIOD to play a few of performances from their main program. Also a part of the Jihlava International Documentary Film Festival is going on in DIOD. After that, there are nine local festivals of theatre or folklore music and dance.

In the program we can find also residencies for creative theatre artists from Czech Republic and also from abroad. In the education and free time activities there are courses of circus movement and acrobatics for children and adults separately and summer intensive course for one week.

DIOD Theatre has t-shirts, textile bags and pencils for sales merchandising articles. Promotional materials included posters, leaflets are distributed in the town and during events time. Websites [www.diod.cz](http://www.diod.cz) and social networks are very useful for the communication with the audience.

Café space in the building is leased to a different company. The other services which can be done by DIOD are using the recording studio for young musicians, for recording sounds and special noises for theatre etc. Financial support is coming according with the contract from Jihlava municipality for whole year activities different projects included. Those projects are separately supported also by Ministry of Culture of Czech Republic. Own sources as selling tickets and money from renting the hall are also very important part, its 130% of the whole budget.

DIOD is an active member of the Czech network Nová síť, which is helping to share new alternative and experimental performances by Cultural Centers around the Czech Republic.

In the table 6 we can see numbers of events. The amount of the audience is not noted until September 2015. From September to December 2015 there were 3874 visitors registered.

**Table 6 – DIOD Theatre events in 2015**

DIOD Theatre - events in 2015	
PROGRAM	TOTAL AMOUNT
theatre	7
concert	6
for children	5
for school groups	20
dance	5
moving theatre	5
total	48

#### **A4 - zero space, Bratislava, Slovakia, [www.a4.sk](http://www.a4.sk)**

Bratislava is a capital of Slovakia. There are 415 thousand of inhabitants. There are ten professional theatres, five independent theatres, eight municipality Cultural Centers, one Cultural Center working as a business company and only one non-profit independent Cultural Center. “Unlike other similar European cities, Bratislava has no long-term strategy of cultural development, nor any efficient and transparent tool to support the initiatives that are not organized by the city authorities. KU.BA – Cultural Bratislava is an open platform of the civil, cultural and artistic initiatives and independent professionals who are part of the vivid culture in Bratislava and who are interested in the cultural development of the city. The platform was established in January 2015.” ([www.kulturnabratislava.sk](http://www.kulturnabratislava.sk)) The last message about activities of KU.BA was announced in March 2016. On its website the association declared goals and activities for creating a basic document of cultural policy.

A4 space for contemporary culture is multifunctional and non-profit center located near to the city center oriented to creation, presentation and education in actual forms of contemporary theater, dance, music, film, contemporary visual culture and new media art. Project A4 space for contemporary culture is the completion of hard work of many civic & cultural organizations in creating centre that supports and presents actual art forms in the field of performing arts and new media art supporting live and innovative artistic creation.

Cultural Center A4 started in a famous place for an alternative culture before 1989 V-club.

The space was technically not very good, but A4 worked there until 2011. Then A4 had to leave V-club and have no space, they found just one possibility for their activities in a former shopping center very near from V-club. After the short-time members of the A4 association started to work in a new rented space in Ymca center on Karpatská street. Thanks to the help of a company Želos from Trnava town the space was prepared quickly. From 2013 A4 started the new period of the existence. The hall capacity is 130 people in the audience now, basic light and sound systems and also a big project screen and technical equipment for a cinema.

Objectives and goals were done for 2015. Ensure the programs, which provides the space and professional conditions for the development of original creation and presentation of a wide spectrum of contemporary art (theater, music, dance, new media art, visual arts and other forms of new work). Create professional conditions for the creation and presentation. To serve as a communication hub which actively promote events. To strengthen the position of the center as an important tool to develop cultural diversity and quality in more and more commercial society and culture.

Goals: 1. implement a program of cultural events for the general public - theater and dance performances, concerts, multimedia projects, film screenings, lectures and discussions - according to a fixed programming plan. 2. Implementation of such aimed creative and educational workshops for arts professionals and the general public to actively promote informal learning, the development of cultural communities and their creative potential. 3. Provide a space and organizational support quality cultural projects of other entities that contribute to the achievement of those objectives.

SKRAT Theatre is one very important part of A4 activities. This is the professional theatre group, which was as the first one independent theatre created in Slovakia in 2003. This group is a base of the A4 programming, A4 is a home stage and a space for rehearsals. Independent contemporary dance groups are also very close connected, they can rehearse and play there and bring interesting guests from abroad to the programming.

Cinemas otherwise attempt to bring in Bratislava films that are not afraid to mess up a conventions. The program includes author's fiction, creative documentaries, and experimental films and works on the border between art forms. In the Slovak context there is very important place for documentary films about political and social causes which are still very hard to present in Slovakia.

New education projects started as a series of educational activities for schools with school name otherwise and workshops for children about the history of the 20th century. Events for schools focus on the presentation and to the following discussion with experts on the subject. Workshops for children are launched straight in three variants by the age of participants. Just like in previous years, several interesting discussions happened on topic of the social and political life and culture in the city and in the whole country and abroad.

Team members became a part of the educational program designed for cultural organization called Escalator. Adhering to the Escalator A4 capped a few big changes that lead to changes in the structure of the organization, which should contribute to a more efficient operation and more traffic events in the A4.

A4 hosted two volunteers from Romania and Portugal in the framework of projects supported by the Erasmus +. Those held two creative workshops, presentations about their home countries and show their creative projects (photographs, drawings). Also three artists took the space for their artistic residencies.

Open space is one of the basic principles of dramaturgical concept A4 space contemporary culture to develop its activities for the greatest variety of events offered, which should be oriented to different target groups. Since A4 - Associations for contemporary culture focuses primarily on contemporary art, trying to also develop cooperation with other independent organizations and state institutions, and in this way expand the range of events on a wide range of shares cultural, social, community and educational nature. A4 thanks to the figures in the public consciousness as a unique space in the city center, which is open to various

activities. In 2015, it has been a number of interesting events and managed to develop the cooperation with foreign institutions.

Space again received non-projects of different orientation: lectures, discussions, conferences, music production, film screenings, performances, workshops or share with social activist and filling especially in the area of the third sector. We continue to develop long-term cooperation with some organizations. Very important point of the programming events is a selection, which takes care about the line and the framework done by vision and mission of A4. Associations connected for to work in A4 space consider the principles of open (not only) cultural space for one of the fundamental principles of its dramaturgy. We believe that the use of this space, with an emphasis on cooperation with other organizations is an ideal and unique opportunity for the development of community and cultural life in Bratislava.

The plan was usually made for only one year. Members of the team were afraid about money, they didn't want to make a long term plan. In January 2015 people working in the center started to cooperate closer with Trans Europe Halls<sup>1</sup> and participated in mentioned project Escalator organized for Slovak cultural centers to help developing their work. Now they started the new way following new mission and vision.

**Vision:** A4 supports artists to challenge convention through their work in the belief that cultural innovation and developing a dialogue with citizens around the meaning of art will make a significant contribution to an open society in Slovakia. **Mission:** To maintain an independent cultural centre of local and international repute based in Bratislava, which creates space and conditions for creation, presentation and education in cutting-edge, contemporary art forms and to present the results of these activities in ways that engage and stimulate wider debates and actions concerning societal change. **Values:** Excellence - Creativity - Innovation - Cultural development - Experiment - Originality- Knowledge A4 - zero space since its inception connecting the current events in the arts in Slovakia with cultural projects abroad.

A4 - zero space of contemporary culture in the context of promotion and PR activities managed to establish cooperation and media partnership with the Slovak and Czech newspapers, informations about events on various occasions in Czech Radio Wave. A4 program is duly published in all cultural newsletters and on web portals, using also social networks. Slovak Radio FM became the exclusive media partner in 2004, according the focus group is mostly the same as for A4. Important partner is the Internet radio TLIS which ran numerous live broadcasts of events or A4 regularly invited to events produced A4 or events made out, whether in the form of reports or interviews with artists.

In addition to media partners has A4 - zero space of contemporary culture and its own advertising partners who was in 2015 printed program monthly 150 posters and 1,500 flyers with a more detailed description of the program and posters on selected shares. A4 placement program was each month to 70 locations in the city, designed to free advertising and promotion of cultural and other events. On promotion is highly involved as volunteers, whether through the distribution of posters and leaflets in designated areas in the city, schools, and dormitories or even on social networks through PPC advertising.

Work positions in A4 are the director and legal representative, the executive director, producer and coordinator, the public relation and advertising manager and the main technician. All of them are freelancers. A big part of actives is done by volunteers.

Financial sources can be defined as the project-multi-source system. There is a support form many projects from different organizations and institution and that provides the administrative burden. Income from a ticket selling and renting space makes about 40% of the budget.

From January to December 2015 in A4 held a total of 272 events, 199 were produced by A4 association or co-produced with other organizers. Total attendance in 2015 was 12,725 spectators.

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<sup>1</sup> Trans Europe Halls, [www.teh.net](http://www.teh.net), the international network of independent cultural centers

Table 7 – A4 - zero space, events in 2015

A4 - zero space, events 2015

PROGRAM	TOTAL AMOUNT	AUDIENCE
theatre SkRAT	44	2 781
theatre – guests	32	1 925
Concert	36	2 520
for children	30	558
for school groups	8	220
dance, moving theatre	26	1 826
cinema, multimedia	87	2 610
visual arts	4	175
community events	20	110
Total	287	12 725

## Conclusion

There are two small examples talking just about what is possible, how cultural centers can work on in post-communist countries and what are their good and bad steps and experiences. There are name of similarities. Both of them are the practical example of non-profit non-governmental organization, which works for not only one special target group and is oriented to the support and presentation of non-traditional alternative culture and arts. They both are not isolated from the social and political situation and both of them try to find the way how to talk about that with a community. Also the creative and informal education is the important point of their activities.

We can see the most important problem that a long-term marketing plan is missing. It means also long-term financial plans are not done. In DIOD Theatre people are stressed by the future and just started to look for new skills to be able to continue their work without losing their main ideas. In A4 thanks to active steps of the team and to the project Escalator just started new plans. But we can also see that to make changes is harder when the organization stays for a long time without any professional contacts with other organizations, without sharing ideas, skills and knowledges. People work a lot and they became burned out, that is the next problem. In case of a possibility to work in the local and mainly international cooperation, centers have a big chance to use many different experiences in their practical work, to get a lot of new energy and ideas, sometimes just by to meet different people doing the same work and looking for new possibilities in the future.

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## **Economics and marketing of Italian visual arts: Advertising and intangibles for multiple stakeholders' engagement**

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### **Abstract**

Italian Visual Arts include museums and landscapes, the so-called open-air museums. Italian Visual Arts are now suffering of an impressive lack of resources and they, as a consequence, need to promote themselves. They are aimed at advertising and fundraising today more than in the past, when public grants prevail. Advertising or fundraising can be a short and a long-term strategy, this implying intangible investments for brands and reputation.

The theoretical background of these promotion efforts is in the economics and marketing of advertising and intangibles.

The aim of this paper is to highlight the role of advertising and intangibles in cultural heritage management. Thanks to a cluster analysis of changing performances (2011-2013) for advertising expense, intangibles, net assets, total revenues, own revenues, sponsorships, public grants, total expenses and profits, two main clusters will emerge according to economic performances and impacts on brand values.

Keywords: economics, marketing, advertising, intangibles, visual art.

### **Introduction**

At crisis times public funds are diminishing, stakeholders are unstable and tourists are to be paid attention as they can generate revenues within national and international boundaries. As a consequence, advertising is a must.

As a significant share of the Italian Culture, museums need to adopt a marketing approach in order to face the crisis and the reduction in public financial support and unstable and variable audiences.

In 2011 there are 3,847 museums, 741 archaeological sites, monuments and landscapes in Italy (Federculture, 2015). All of them count more than 103 millions of visitors. In fifty percent of them there is no entry fee. For one third of them, own revenues are only 20,000 euro. Only 15.2 of them receive private grants and sponsorships. More many visitors they count, more many public funds they can be granted. If museums can attract between 100,000 and 500,000 visitors, they profit by 34.4 percent of public grants.

In 2013, visitors are falling. Public funds are constantly diminishing and they are less than 0.20 percent of total public expenditure. Nevertheless, visitors of public museums increased +3.3 percent from 2012. For these museums of public property, own revenues increased 6.60 percent from 2012. Most of public museums are big organizations and they are concentrated in Florence, Rome and Venice.

For cultural attractions like museums and landscapes, marketing and fundraising become strategic priorities, especially for private ones. With lack of resources, advertising is, therefore, a binding commitment.

Advertising can be an expense on a short-term basis. At the same time, advertising can be an intangible asset (intangibles) as it can be investment on a long-term basis. For the aim of this paper, intangibles will produce economic benefits for several years both in order to gain propensities of consumers, tourists and other stakeholders and in order to consolidate the competitive advantage with increasing revenues, profits and solvency. As a matter of fact, advertising and intangibles, they both can signal brand values in an informative and persuasive way and they affect the range of stakeholders, so that positive perceptions can attract paying customers, tourists and philanthropy (sponsorships, public and private grants).

According to the latest definition of the Italian Law about landscapes as a cultural taxonomy and content of visual arts as well as museums, this paper is aimed to classify a sample of Italian private museums and landscapes in 2011-2013, when they were dramatically shaken with the outbreak of the financial and real crisis and the marketing approach became salient. The cluster analysis of main performances, which include weights of advertising expense and intangibles will separate revenue-maximizing, profitable and solvent organizations who signal and advertise their quality and, for this purpose, exploit willingness-to-pay (consumers' and tourists') and willingness-to-donate (philanthropists' and grant-makers').

The research gives evidence that clusters change according to a strategic shift, a behavioral sudden and drastic change in the strategy choice, which affects performances. Entrepreneurs, who are profitable with high advertising and intangibles, they are not stable in their strategic choice. When the advertising expense and intangibles, they both decrease, there is a shift to losses and decreasing net assets.

Vannini's first paragraph explores the definition of museum and appreciates the updated and legislative inclusion of landscapes in Italian visual arts.

Besana's second paragraph refers to the approach of economics of advertising and intangibles for cultural entrepreneurs.

With mention to the emerging issues of websites and social network, Esposito's third paragraph refers to the marketing approach in order to exploit brand values, which are generated by advertising expense and intangibles.

Besana's fourth paragraph is the cluster analysis with the emergence of two main clusters, taking into account 2013-2012's and 2012-2011's variations of accounting lines of a sample of 100 Italian Museums and Landscapes for the correlation between advertising, intangibles, revenues, profits and net assets. A strategic shift will emerge when the entrepreneur decides to change his propensity for the advertising expense and intangible, in order to gain profits and increase revenues and net assets.

## **1. Evolving Concepts: from Museums to Landscapes**

Defining what a museum is can prove to be as difficult as to define any visual art in continuous evolution. From the cabinets of wonders and curiosities of the XVI century to the cyber-museums more than four hundred years have passed and the underlying concept of the museums' objectives has been renewed incessantly. Since the beginning, museums comply with the aims of their founders: wonderful demonstration of richness and power on the one hand, or educational institutions on the other one; in either case, museums were considered as containers of visual art, be it from archaeological excavations to landscapes or artistic creativity.

While the term “museum” has been adopted desultorily by the Italian legislation (Jalla, 2003) mainly indicating a department or an office of the Public Administration until it has been set firmly in the 2004 Codex of Cultural and Landscape Heritage, the reflections on the meaning, aims, missions and governance of these institutions within the Italian society have been carried out sporadically and almost exclusively by associations connected to the International Council of Museums – ICOM - that have set the world-wide standard definition since the '60s. Since then, ICOM has maintained strict control on the compliance of the definition with the daily development of the institutions, giving birth to an International Committee – ICOFOM, one of the biggest international committee of ICOM - dedicated to the theories of museology and museum studies and updating the definition several times, the last one in 2007 presently still under revision. The main differences between the Italian Codex's and the ICOM's definition lie mainly on the fact that ICOM declares the purposes of museums must be of service to the society and to its development, aiming to research and communicate the tangible and intangible heritage and to the visitors' enjoyment. These are issues that the Italian Codex does not still acknowledge completely.

Nevertheless, the acceptance of these aspects could help improving how the institutions work and manage their activities in the medium and long term and how they target their customers. In facts, these aspects regard the societal and economic impact museums might exert on their stakeholders and their territories. More and more, societies ask their museums to be participatory co-designed projects and trans-generational, intercultural meeting places in which visitors and institutions participate to the construction of new appealing models of cultural fruition – societal aspect - in ways that can generate satellite activities on which the territory can benefit – economic aspect. In this sense, museums can be considered among cultural enterprises on the basis of the pivotal impact they can play within their catchment's area or in a broader audience. The globalised access to travel and tourism, in facts, put every cultural institution in competition both for the content offer (cognitive/cultural access) and on a cost-benefit basis (economic access). This is why external communication and public relation of cultural institutions are going to become more and more strategic and attractors of bigger investments and why the recognition by the Italian national Codex and the regional legislations may contribute to the development of such sectors. The acknowledgment of the museums' role as service to the society and to its development as in the ICOM's definition, would increase the sustainability of the efforts cultural enterprises face in crisis times. The recent reform of the Ministry of Culture, though, has been trying to minimize the barriers private entrepreneurs find when accessing investments in the sector with the introduction of some tools as the “ArtBonus” (deductibility of 65% of the donations to cultural institutions and their restoration, including fiscal incentive for competitiveness in the tourism sector).

The peculiar characteristic of the Italian visual arts panorama made by sparse museifications throughout the Country interweaves and creates two levels of cultural landscape: a natural environment shaped by humankind for millennia, often itself museificated, and a broad range of museum typologies. The Italian Codex has the merit of fully recognizing the value of the first one, considering it as the most relevant intangible asset of the Italian Cultural and Landscape heritage (D.lgs41/04, Parte III, titolo I Capo I Art. 131-2). On the other level, museums in the whole cannot be considered merely tangible heritage in themselves, since they represent an idea and should be seen as transmitting channels that allow the flow of concepts, messages and storytelling towards and from broader and broader audiences.

## **2. Economics of Advertising and Intangibles for the Heritage**

The latest debate of the economics of culture is focused both on boundaries of cultural industries and on their efforts to survive at crisis times, when the financial crisis is drastically affecting revenues. Cultural entrepreneurs have to concentrate on the choice of strategies. Above all, they wonder about resources to be

devoted to advertising in order to boost the range of stakeholders and crucial private grants and philanthropy (Flew 2013; Srakar and Copic 2012; Cowell 2012; Santagata 2009).

As a matter of facts, public grants are diminishing and subsidiary roles are very important in contemporary Public Welfare States. While governments are concentrated on deleveraging, their role is inevitably delegated to the 'Private Welfare State' (Bagwell, Corry and Rotheroe 2015; Srakar and Copic 2012; Pitlik 2007; Korpi 2003; Bonoli et al. 2000). The Private Welfare State includes grant-making foundations, sponsors, philanthropists and any other private grant-makers.

At the same time, cultural entrepreneurs are increasingly embracing the marketing concept, which involves a differentiated effort to satisfy several stakeholders, customers, visitors, tourists and other paying clients. The marketing and fundraising concept is not new in the cultural and creative industries with the target of multiple stakeholders. Cultural marketing and fundraising are unique because the culture has the mission to educate the public and develop the social capital as well as build audience and revenue. Cultural marketing is market driven and mission relevant. Marketing directors are working to make visits more attractive, accessible, and satisfying. Marketing directors are working to make their cultural mission more attractive to potential grant-makers and philanthropists, too (Colbert, 2008 and 2007). This implies the growth of relations and different stakeholders' engagement. This implies increasing revenues and better performances in comparison to counter-signaling.

At the same time, cultural entrepreneurs' efforts aim to attract foreign consumers and tourists so that their attendance revenue can support the existence and operation of art organizations. Parallel to this effort there is an increasing concern that the increasing number of tourists will ask for additional efforts in order to comply with tasks of preservation, conservation, sustainability and curatorship. These efforts and concerns are common across both man-made and natural heritage sites (the so-called 'landscape') and the resolution of these issues is central to stakeholders' engagement and sustainable management.

The advertising expense and intangibles signal marketing and fundraising efforts.

The importance of advertising received attention by the literature of applied economics and industrial organization as concerns revenues, elasticity of demand and competitive advantage (Kihlstrom and Riordan 1984; Dorfman and Steiner 1954), market segmentation and performances (Daughety and Reinganum 2008; Daves and Tucker 1993; Sutton 1991; Comanor and Wilson 1967), signaling, advertising and brand values (Pusa and Uusitalo 2014; Polegato, Bjerke and Ind 2013; Preece and Wiggins Johnson 2011; Neil and Rego Lopo 2009; Keller and Lehmann 2006; O'Reilly 2005; Caves and Green 1996).

Market segmentation is receiving increasing attention taking into account visitors and tourists of museums, gardens, castles and other natural and human landscapes. Because tourists are not a homogenous market, segmentation helps identify distinct profiles. Numerous variables divide visitors, tourists and the other stakeholders into groups such as demographics (Misiura, 2006), motivations and the impact of advertising on motivations (Walters, Sparks and Herigton 2007; Kerstetter, Confer, Graefe 2001), activities, connections with the building of the 'social capital', willingness-to-donate and impact on the society (Kingham and Willis, 2008), benefits (Chan 2009; Frochot and Morrison 2005) and willingness-to-pay (Chhabra 2009; Caserta & Russo 2002). There is a vast literature with focus on the importance of making ads appealing and attractive to consumers, both national and foreign, (Binet and Fields 2009; Smith, Jieimiao and Yang 2008) and the attractiveness is estimated as a very complex phenomenon both if the advertising is spot or for the cumulative perception on a long-term basis (Pieters, Wedel and Batra 2010; Heath, Nairn and Bottomely 2009). A variety of measures, from ranking systems to quantifiable criteria based on visitor spending, have been explored by several studies (Choi 2009; Rushton 2008; Delaney and O'Toole 2007). Many authors have also provided more focused segmentation research to help precision in advertising strategies (Geissler, Rucks and Edison, 2006).

The Advertising Expense is, therefore, essential to the cultural entrepreneur in order to target multiple audiences and the previously mentioned Private Welfare State. If the advertising is deferred in time, it can impact on the whole reputation and brand of the cultural institution and with this meaning, it is the accounting line of intangibles.

As a matter of facts, intangibles include research, development and advertising, brand values, goodwill, concessions, etc. and, instead of spot advertising campaigns, they will produce economic benefits for several years.

If Intangibles are customer-related and if they count for brand values, they can signal cultural activities and affect the range of private stakeholders, so that these ones are stimulated both as for the willingness-to-pay and willingness-to-donate. As a consequence, revenues and profits can increase as well as net assets or fund balances (Penman 2009; Skinner 2008; Ittner 2008).

Intangibles are a focus of the latest literature about art organizations. If cultural entrepreneurs want to achieve a greater diversity of income then it is the intangible assets that they need to focus on. Both the tangible and the intangible, they define the value art organizations can provide for the benefit of their stakeholders (Thelwall 2015; Scott 2014; Crossick and Kaszynska 2014; Bakhshi and Throsby 2010).

If public grants are nowadays diminishing and if visual arts, cultural attractions, museums and landscapes signal qualities (Buehler and Halbheer 2011; Berger and Ward 2010) and they compete for private sponsorships and contributions of multiple stakeholders, it is a priority that they maximize advertising expense and intangibles.

### **3. Marketing and Advertising Museum Brand, to generate Stakeholders' Engagement and Values**

Museums are important heritage tourism attractions across Italy, where they compete with other for-profit tourism businesses. Competitors include other museums, ecotourism, travel, themed attractions, performing arts, shopping, exercise, and spectator sports.

The need to give importance to cultural activities and promote the cultural heritage, and the competitive environment together with financial constraints and challenging economic times, they both have compelled the museums to incorporate contemporary practices from the wider management field (Kawashima 1998; McLean 1994; Weil 2002). Museums, landscape managers and cultural entrepreneurs have explored ways and means to increase attendance levels and self-generated revenues, and over the past few decades marketing has emerged as crucial competitive lever for cultural enterprises (Kotler, 2008).

Nowadays, museums and cultural organizations have to face the challenge of being open to entrepreneurial approaches while continuing to meet their heritage preservation and educational mandates, and to build relationships with their visitors, other cultural organizations and inhabitants (Chhabra, 2009).

Marketing, as an overarching philosophy or orientation, offers a powerful means through which cultural entrepreneurs can achieve their missions and maximize their performances, as they cannot continue to be financed only by grants and public funding. Marketing orientation helps to build the audience placing the public at the centre of the museum's activity and making the museums attuned to the customers' requests (Tobelem, 1997). In fact, marketing provides awareness and understanding of the interests, perceptions, expectations, needs and preferences of both existing and potential audiences. As best practices show, marketing strategies should not forget the special audience represented by the residents in the area where the museum is set. E.g., Abbonamento Musei Torino Piemonte is a best practice of pass that allows residents to freely access in museums of Piemonte (Italy). The Museum Pass is valid 365 days from the date of purchase to give the owners the opportunity to enjoy its benefits by meeting their needs.

Marketing plays a powerful part in shaping strategies of visual arts, from museums to landscapes.

Starting from the museum collections and exhibitions, which are the essences of the museum, the museums mission vis à vis the public is built up, and marketing efforts are defined (McLean, 2003). From this perspective, museums are faced with the challenge of identifying, targeting, and attracting a broader visitor base along with improving their international, national, and local reputation. Identifying target groups is crucial to set out appropriate communication strategies to achieve goals as: attracting and building 'deeper relationships with more diverse audience' (Spitz and Thorn, 2003:3) going through the definition of the visitor experience in order to allow them to enjoy the museum visit (Screven 1986; Shackley 1999; Goulding 2000), by offering a range of experiences that appeal to them and reflect their varying needs.

The same priority is faced by landscape managers, who are focused on their cultural contents, marketing and fundraising goals.

But according to Kotler et Al. (2008) the most important marketing challenges is brand building because it helps to broad and deep audiences and to define an effective fundraising strategy. Knox (2004) argues that branding is a solution for marketing challenges in a competitive market.

In this regard, Doyle (2001), starting from the resource-based theory (Barney, 1991), argued that branding could create shareholder value. He affirms that this is true if organizations, thanks to their resources, are able to make superior offers to their customers, in terms of innovation, lower cost, or outstanding customer relationships. The achievement of these goals depends on the core capabilities (Prahalad and Hamel, 1990) of the organization, and finally on the resources or assets, both tangible and intangible, it possesses.

According to Doyle (2008, 2001) the success of brand, as intangible asset, requires investment in marketing, especially in marketing and advertising.

Literature does not provide a universally accepted definition of brand. The term is used differently to encompass a broad range of assets. In this paper brand has seen in a holistic view. This means that brand is a much broader and deeper experience than the visual elements and that it refers to the whole organization, where intangibles are deployed. From this point of view, brand as combination of intangibles and culture, people and organizational structure, represents a specific value proposition and impacts directly on the customer relationships. It enables the museum to develop a competitive advantage, and generates the need for consistent marketing and communication strategies to get in touch with stakeholders. In this paper, the concept brand includes also capitalized development costs.

As a consequence, brand is an intangible resource that museums (as well as landscapes) can no longer afford to ignore, and indeed it must learn to recognize as an intangible resource (McLean, 2003) able to create stakeholder engagement and value, thanks to proper marketing and advertising campaign.

So, the task of museums' management is to develop a brand and appropriate branding communication and advertising strategies, to deliver its values based on museums' core offerings.

Where appropriately conveyed to audiences, thanks to relevant brand strategies making it explicit, the museum brand creates relationships, offers a means of differentiation from competitors, helping to build trust, improve the consideration of stakeholders (McLean, 2003), and affect positively performances.

Brand has a strategic value because it is an intangible and inimitable resource on which the organization bases its position in the competitive environment and its competitive advantage (Hatch, Schultz, 2010), and through which a museum can involve stakeholders both at cognitive and emotionally level. Museum brand is also a strategic resource for managing relationships with stakeholders (Balmer 2001; Aacker and Joachimsthaler 2000; Doyle 2001).

The brand supports the museum in dealing with the environment in which it operates, in retaining the best employees, in building, improving, preserving and defending reputation, in generating consensus and creating dialogue and community. Doing so, it contributes to increase visitors and cash-flow.

Because of the importance of coherence, the museum brand represents also the guidelines for marketing communication strategies and planning.

To attract audiences, museums' and landscapes' management have to design the visit as memorable and engaging event, have to customize programs adopting flexible formulas, in terms of opening hours, and services; they have to organize cultural events, make visible the sense of community, through fidelity programs to retain and maintain relationships with audiences. Furthermore, price marketing is an important lever to adapt the offer to each target audience.

To promote the brand and enhance awareness, museums should adopt proactive marketing policy, and create partnership with other cultural organizations or/and other companies laying the foundations for an effective policy to fundraising.

Some museums have had success implementing website, and social media tools, including Facebook, Twitter, Flickr, YouTube, and Pinterest, to promote their brand identity, exhibits and add new dimensions to the visitation experience. Website and social media also allow to offer interactive education and to share user-generated content, transforming visitors in 'prosumers' (Toffler, 1980).

Thanks to website and social network, museums can grasp new opportunities to connect with new audiences (Burdick at Al., 2012), and give them real-time information, reducing in the same time communication costs. But especially, social networks are able to facilitate conversations, and create virtual communities from which museums can obtain feedback helpful to better understand their publics.

Alongside these positive aspects, museum managers must consider the difficulties related to the use of social media, such as e.g. the complexity of the dialogues management and the difficulties to convey the brand values through the digital tools.

#### **4. Economics of Advertising Expense and Intangibles of Italian Museums and Landscapes, 2011-2013**

The sample includes 100 private firms whose mission is 'attività di musei', 'museum' according to ATECO Classification 910200. We selected this sample out of a universe of 300 private not-for-profit and for-profit organizations for 2013, 2012 and 2011 Reports, which are available in the database AIDA. Reports were collected in February and March 2015. As this classification of 300 organizations includes libraries, archives, art restoration, museums and organizations, which manage landscapes, the cluster analysis only included museums and landscapes, human (castles, villas, etc.) and natural (gardens, historical gardens, parks, etc.) landscapes. This inclusion is here emphasized according to the Italian 2004 Codex of Cultural and Landscape Heritage. As a matter of facts and as specified by mission statements, 28 organizations are the human and natural landscapes of the here investigated sample.

Except for La Biennale in Venice and Linea d'Ombra, most organizations of the sample are small and entry can be free in landscapes like gardens, parks and archeology. Number of visitors can be very different, as these cultural attractions count from blockbuster events to original and local exhibitions in castles, villas and historical gardens. Most of them are not solvent and suffer by a loss, though their revenues are stable from 2011 to 2013.

For each organization, we firstly collected 2013, 2012 and 2011 data for Investments (sums of Tangible, Intangible and Financial Assets), Intangibles, Total Assets, Net Assets, Total Revenues, Own Revenues (of sales), Sponsorships, Public Grants, Total Expenses, Advertising Expense, Gain or Loss.

Secondly, we calculated 2013-2012's variation and 2012-2011's variation for every accounting line, in order to understand the strategic choice and trend, marketing and fundraising efforts for the latest available data of advertising and intangible assets.

Thirdly, we clustered variations of previously mentioned accounting lines with the Ward method, which hierarchically aggregates items according to their proximity.

Cluster analysis is a leading empirical method in biology in order to separate populations (species) into significant groups (subspecies), according to specific features or selected variables (Ward, 1963). In applied



economics and industrial organization, cluster analysis is implemented in order to classify industries, districts, networks, strategic groups and any aggregate, which can reveal significant and differentiated patterns (Hairs, Black, Babin and Anderson 2009; Becattini, Bellandi and De Propis 2009). This analysis supports the intent, when separating features are to be emphasized in a sample.

If the marketing effort is high, changes in both Advertising Expense and Intangibles are positive and, at the same time, variations of Gains, Revenues and Net Assets are positive. This gives evidence that marketing and fundraising efforts are successful for targets, which are paying clients and visitors on the marketing side and sponsors and public administrations on the fundraising side. These economic performances are separating features of cluster analysis.

Apart of outliers, whose average performances will not be here investigated, main clusters are the ■ One (45 items) and the ♥ One (35 items) in black and white Figure 1.

Figure 1 shows the clustering history of two main clusters.

The ■ One includes 45 items and the landscape is here prevailing. Parks, gardens, archaeology are here well represented with their heterogeneous Great Beauty from islands like Elba and Sardinia to the north and the south of the peninsula. From natural to human landscapes like villas and castles, they are giving evidence of different story-telling of Italian Great Beauty, when collectors and exhibitors show excellent tastes for visual arts and creativity (paintings, artisanship, horticulture, textiles, sculptures, etc.). Marketing is here focused on story-telling of these excellent tastes.

The ♥ One includes 35 items, La Biennale in Venice is here included. Only 7 organizations refer to the landscape in the ♥ Cluster. Most of these organizations manage exhibitions and guided tours. From organizations to individual collectors, the Italian great beauty is mostly displayed in museums for this cluster. Marketing is here focused on different and creative contents, from oil paintings to contemporary arts, from frescos to photography.

Average performances of clusters are different, if we separately consider 2013-2012 and 2012-2011 variations of all accounting lines. This separation allows focusing on strategic shifts inside of clusters in a time series analysis. Tables 1 and 2 separately detail average performances of 2013-2012's and 2012-2011's variations.

**Table 1 – Average performances of Clusters – 2013-2012 % Variations**

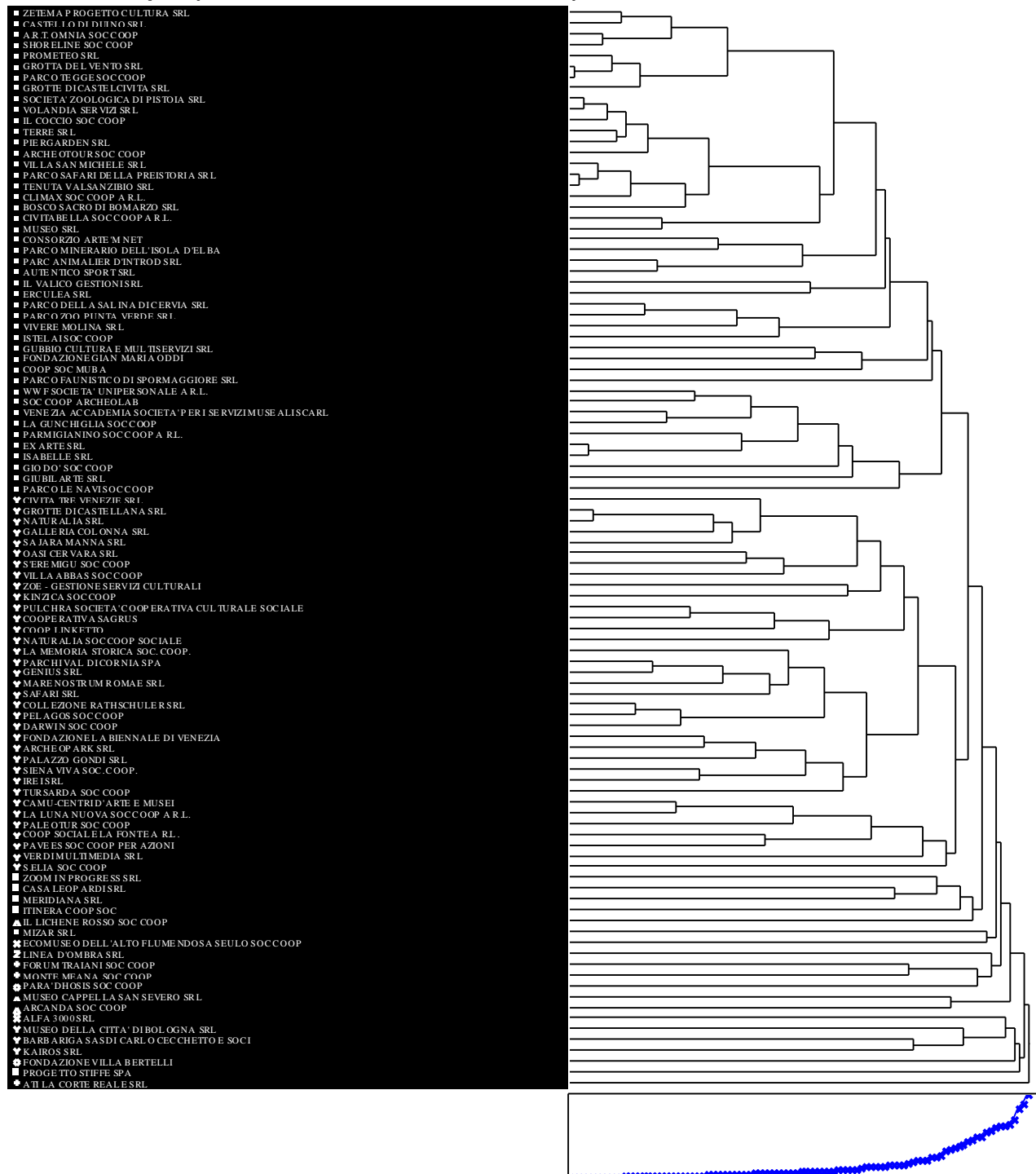
	Total Invest.	Intangible Assets	Total Assets	Net Assets	Total Revenues	Own Revenues
■	+7.17	-6.78	+0.33	+14.68	-7.22	-8.46
♥	-0.73	+12.48	+9.00	+34.25	+12.54	+12.58
	Sponsorships	Public Grants	Total Expenses	Advertising Expense	Gain or Loss	
■	+120.47	-9.45	-7.45	-18.25	-296.82	
♥	+353.4	+21.95	+14.15	+22.11	+85.02	

**Table 2 - Average performances of Clusters – 2012-2011 % Variations**

	Total Invest.	Intangible Assets	Total Assets	Net Assets	Total Revenues	Own Revenues
■	+39.64	+57	+13.51	+0.82	+7.93	+9.60
♥	+1.84	+14.75	+4.52	-2.55	-14.2	+1.84
	Sponsorships	Public Grants	Total Expenses	Advertising Expense	Gain or Loss	
■	+602.48	+21.68	+12.32	+8.43	+309.2	
♥	+26.46	-5.00	+4.5	-2.77	-96.04	

Source: own elaboration with Jump Statistics Software.

Figure 1 – Hierarchical Clustering (Method = Ward) – Dendrogram of a sample of 100 Museums and Landscapes (910200 Classification ATECO 2007) for 2013-2012 and 2012-2011 % Variations



Source: own elaboration with Jump Statistics Software

According to average 2013-2012 performances, the ■ Cluster is suffering of declining gains (Table 1). Both Intangibles and the Advertising Expense are declining. On average, Total Revenues decrease by -7.22%, Own Revenues -8.46%, Public Grants -9.45%. Sponsorships increase +120.47%, instead. Nevertheless, this growth cannot compensate the average fall of gain of -296.82%, taking into account that these organizations

have reduced Total Expenses of -7.45%. These results give the following evidence: if the advertising is drastically weakened, revenues and gains will suffer.

According to average 2013-2012 performances, the ♥ Cluster is successful, instead (Table 1). Intangibles increase as well as the Advertising Expense and the Gain. Net Assets increase +34.25%, Total Revenues +12.54, Own revenues +12.58, Public Grants +21.95 and Sponsorships +353.4. If the advertising increases, the gain can only increase. The other positive performances confirm the success.

According to average 2012-2011 performances were opposite, so that they give evidence of changing strategic behaviors or strategic shifts from 2011 to 2013 (Table 2). The ■ Cluster tripled the gain with +57% for Intangibles and +8.43% for the Advertising Expense. The ♥ One showed increasing Intangibles. Nevertheless, with decreasing Net Assets, Total Revenues, Public Grants and, above all, decreasing Advertising Expense, the Gain suffered of -96.04%.

Net assets increased apart for the ♥ cluster in 2012-2011.

Apart of being hierarchically aggregated in two main clusters with salient and separating features, organizations strategically 'moved' and changed their efforts. From a high to a modest marketing effort and from 2011 to 2013, the ■ Cluster collapsed. The ♥ One was the opposite.

Cultural attractions are different as concerns their advertising and intangibles. In the ■ cluster, attractiveness is weakened for decreasing advertising and intangibles in 2013. Landscape managers reduced their marketing and fundraising efforts. On the contrary, in the ♥ Cluster economic performances increased both for advertising and revenues in 2013. In museums, attractiveness increased with marketing and fundraising efforts.

Strategic shifts were constrained by the crisis. The crisis committed organizations to fundraising, which was particularly successful for sponsorships. The crisis motivated the cultural entrepreneur to change marketing and fundraising in order to adapt to an unstable environment.

Who chose to invest in intangibles and advertising, he profited by better performances.

## **Conclusion**

Italian Visual Arts are not a monolith, taking into consideration the latest law and Codex, too. Next to museums, natural and human landscapes are now included in the taxonomy. Taking into account this multiple definition, brand and advertising are priorities for museums and landscapes at crisis times. Marketing and fundraising efforts, both offline and online, they are relevant. Brand values do not only refer to accounting lines. Nevertheless, accounting data can help to define the dimension and intensity of efforts and they can separate clusters of positive performances, if revenues, diversified revenues (from own revenues to public grants), gains and net assets are positively affected. This is, while the crisis is stimulating and constraining cultural entrepreneurs to rapid choices (strategic shifts), to advertise or not to advertise, spot or long-term. Advertising is binding in order to adapt to a continually evolving and complex environment.

The paper investigates the relevance of advertising (short-term and long-term) for a sample of Italian Museums and Landscapes. The Advertising Expense, Intangibles and their impact on own revenues, sponsorships, gains and solvency; they can give evidence of efficient targeting of clients, tourists and other stakeholders.

Cluster analysis in time series with focus on average performances of two main clusters, it has allowed to emphasize strategic shifts at fragile times, when cultural entrepreneurs are not stable as concerns their marketing and fundraising, because they change, diversify and maximize targets. Efforts are not always sustainable. Nevertheless, when both advertising and intangibles increase, all average performances and revenue diversification of the here investigated sample increase (total revenues, own revenues, sponsorships, public grants, profits).

This result can be salient for managers and policy makers who have to select strategies, budgets and projects, when marketing and support of cultural organizations and attractions is their main target and when matching grants are needed. For resources, which are very few at these times, it is better that the cultural entrepreneur concentrates on strategies (events, advertising campaigns on a short- or long-term basis, road-shows, etc.), whose signaling effort is efficient and attracts both national and foreign customers and stakeholders, immediately and on a long-term basis. The policy-maker and the grant-maker may, as a consequence, support the cultural entrepreneur who is much more investing in advertising than any other comparable organization, so that grants will match with revenues and resources, the cultural entrepreneur is able to collect both on the marketing side (own revenues) and the fundraising side (sponsorships and grants).

At the same time screening and ranking of the best practices and best case histories is urgent, so that benchmarks lead matching grants of public and private grant-makers. Implementation and evolution of post-selection, they are both useful in the grant-making: when grants are delivered and projects come to the end, grant-makers must estimate economic and social impacts (post-selection phase) and the best projects should lead their next philanthropy as concerns strategies, marketing, fundraising cycle and project-management.

In parallel, cultural entrepreneurs must be reactive in crisis times. Strategic shifts are the natural consequence of constant attention to different targets, when marketing and fundraising efforts are without break. Strategies cannot be monoliths. Above all, evolving and unstable environments drive marketing and fundraising. Economic performances can be appreciated in accounting lines, from advertising and intangibles to revenue diversification. This evidence can continually drive and force strategic shifts.

Further research will enlarge the sample to performing arts in order to verify, if advertising and intangibles, they can determine the same positive correlation.

This analysis, otherwise, reveals itself as a first attempt to focus on the positive relationship between advertising, intangibles and performances of clusters of Italian Museums and Landscapes, taking into consideration that Italian Cultural Entrepreneurs have today to exploit both the willingness-to-pay and the willingness-to-donate because of the collapsing role of the Public Welfare State.

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## **JODHPUR BOX: Participatory processes and digital tools for increasing awareness of local cultural heritage**

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### **Abstract**

The aim of this paper is to present a case study analysis of Jodhpur Box, a project aiming at creating a digital tool presenting tangible and intangible cultural heritage of the territory of Jodhpur (India). The project has been implemented over a period of three years (2012-2015) as a collaboration between the University of Ferrara (Italy), CEPT University of Ahmedabad (India) and the Mehrangar Museum Trust (India), with the support of the Municipalities of Jodhpur and Ahmedabad (India). The analysis of the Jodhpur Box project sheds light on the potential of capacity building through multi-national cooperation and participatory processes. The analysis focuses on the participation and capacity-building mechanisms, allowing the authors to draw some concluding remarks on the way digital tools and local participation and international cooperation could be effective in enhancing and preserving local cultural heritage, both tangible and intangible.

Keywords: participatory processes, digital tools for cultural heritage, integrated cultural digital strategies, cultural heritage awareness enhancement

### **Introduction**

The aim of this paper is to present a case study analysis of the project Jodhpur Box implemented in Jodhpur (India) over a period of three years as a collaboration between the University of Ferrara (Italy), CEPT University of Ahmedabad (India) and Mehrangar Museum Trust (India), with the support of the Municipalities of Jodhpur and Ahmedabad.

Strongly influenced by the geographical layout and the political dynamics of the region, the historic town of Jodhpur, called the Blue City, provides an outstanding example of traditional urbanism in Rajasthan, India. Cultural heritage is unique, irreplaceable, but constantly changing, therefore placing the responsibility of its care on the present young generation is essential. Historic city centers in India are dynamic and vibrant environments of a cultural heritage that goes beyond the built forms. They are continuously evolving, thereby, fragile as they straddle between ideologies of present and continuum. As the world of conservation expands itself to acknowledge the coexistence of the old with the new as the way forward, the new professionals will need to be particularly equipped to understand the complexities of such possibilities in historic core.

The Department of Architecture, University of Ferrara, and CEPT University, Ahmadabad, are in the process of developing interdisciplinary competence of analysis of historic city centers through survey, representation and diagnostic methods. The historic city of Jodhpur proved to be an extraordinary design laboratory to



experience a progressive and conscious conservation method but also an approach toward heritage awareness at multi-level scale.

Jodhpur, a place with a rich history and culture, has been an area of interest for many. And yet, there is much that needs attention, particularly in the public realm in core city. It is this composition of dense narrow crowded roads, and dense commercial hub full of wholesale markets. The fabric of Jodhpur walled city is interwoven with complex surfaces of architecture, traditions and everyday activities. Laid over a hilly terrain centuries ago, the city exhibits exuberant signs of culture and heritage.

Sadly, the city is under lot of pressure of population. With growing tourism, the old houses became abandoned or get converted into lodges. Markets and squares which were flourishing in past are now being troubled by traffic and congestion.

The project aim was to create a digital "box" containing socio-economic analysis related to the territory of Jodhpur, as well as images, databases, sketches, laser scanner surveys and video interviews with residents and local communities related to the cultural heritage of Jodhpur city center. The box was used for temporary touring exhibitions by the Municipality of Jodhpur and by the Mehrangar Museum Trust (Mehrangar Fort is one of the most visited local heritage places in India), that were specifically designed to address local communities alongside tourists and general public. In addition to contributing to the debate on innovative use of integrated and multi-level digital tools to promote local cultural heritage (Bjønness, 1994, Al-Kodmany, 2002; Peacock, 2007, Maietti and Balzani, 2008; Tamilenthil et al., 2011), the case seems particularly interesting because it was developed through participatory processes in which foreign people (the students and professors of the University of Ferrara, Italy) helped Indian students (from University of Ahmedabad, India) to interact with local inhabitants to develop constructive dialogue about their cultural heritage, stimulating pooling of knowledge resources and exchanging of competences and skills at different levels (Go et al., 2003). The main challenge indeed concerned the awareness of the public opinion, the need of sensitizing in the matter of heritage conservation linked to local traditions and meeting the needs of both the public administration and the local community.

This paper presents the results of the analysis of this case study, performed according to the principles of qualitative case study analysis identified by Patton (2005) and by triangulation of different sources of evidence as suggested by Yin (2003). The analysis highlights the profiles of capacity building and participation in developing digital tools for the rediscovery, enhancement and preservation of local cultural heritage.

The paper is divided into four sections. After this introduction to the project, the first section presents the methodology adopted in the case study analysis. The second section provides an overview of the theoretical approaches related to local participation in cultural heritage enhancement and preservation, highlighting the main challenges that these issues are facing in particular in global south countries. The third section presents a case study analysis of the Jodhpur Box project, providing first an overview of the project and its governance and management and then focusing on the analysis of participatory approaches implemented in its different phases (namely implementation phase and output delivery phase). The results of the analysis presented in that section allow the authors to draw some concluding remarks (fourth section) on the potential of participatory processes in the development of strategies for increasing awareness on cultural heritage, in line with the current debate on integrated participatory processes for the cultural heritage sector (Bonney et al., 2009; Simon, 2010; Camardo and Thompson, 2007).

## **1. Methodology**

The research was based on two main phases: a theoretical study and an empirical case-study analysis. In the first phase, an extensive literature review was carried out, that was used by the authors as prerequisite to identify the main challenges related to increasing awareness of cultural heritage in local population in global

south countries through participatory approaches. The theoretical analysis shed light on the peculiarities of cultural heritage awareness enhancement in local populations and on how this issue could be related to sustainable development and in particular focused on the types of participatory processes and in the challenges and potentials of participatory processes in cultural heritage enhancement.

The second phase of the research presents an in-depth case study analysis performed according to the principles identified by Patton (2005) and Yin (2003). In particular, the analysis carried out in this paper implied the triangulation of three different sources of evidence:

- Document research, in particular the research analyzed the preliminary documents for the projects (plans for the historic city center, project reports, urban infrastructure reports and interviews' transcripts, used as participatory mechanism to understand the needs and requirements of the local inhabitants of Jodhpur center as well as research papers, bachelor thesis that proposed further development of sustainability plan for the enhancement of the local cultural heritage)
- Research interviews, in particular research interviews were carried out with the managers and promoters of the project (project managers and staff, both Italian and Indian, including the students who were involved in developing the project).
- Artifact analysis, in particular the main output of the project, the Jodhpur Box tool, and the material of the three main exhibitions related to the Jodhpur Box project presentation.

The research aimed at understanding how participatory mechanisms were implemented throughout the project and how the interaction between foreigners and locals was helpful in capacity building and in creating a different awareness of the local cultural heritage, both tangible and intangible.

## **2. Theoretical overview**

Over the last decades, the theme of community participation in cultural heritage enhancement and preservation has been increasingly considered as a new way to rethinking the classical top-down management and enhancement approaches (Murdoch et al., 1994; Nassauer, 1997; O'Conne'ide, 1999; Stenseke, 2009). Indeed, especially as a result of the economic and financial crisis that hit Western economies in 2008 (Bonet and Donato, 2011), there has been a growing request for reducing the distance between the authorities implementing management and enhancement strategies and the local communities using and inhabiting the cultural heritage (Hagerstrand, 1995; Harrison and Burgess, 2000). Moreover, critics have been made to top-down policy making in which the relationships between local communities and their landscape are not taken into account (Pinto-Correia et al., 2006). Zachrisson (2004) underlined the advantages in increasing local engagement, in terms of conflict reduction, increased efficiency and effectiveness of management, higher authorizing environment and perception of legitimacy of the projects and more consistent enhancement of place-specific knowledge. Furthermore, participation and community engagement have been identified as key components in the implementation of cultural ecosystems (Borin, 2015; Borin and Donato, 2015) according to emerging theories interpreting culture and cultural heritage as an ecology rather than an economy (Holden, 2015).

According to Pimbert and Pretty (1997), the forms of community participation in heritage management could span from minimal participation (i.e. mere information and consultation) to interactive participation (i.e. people participating in a joint analysis) to higher degrees of participation consisting in self-mobilization, in which local communities takes initiatives independent of external institutions. Spiridon and Sandu (2015) underlined the varied forms of community participation and the different range of activities that participatory conservation and enhancement imply, spanning from informing, listening, understanding, consulting, involving and collaborating, with the aim of empowering citizens and communities. Among the different degrees that they identified, functional participation implies that the community members participate by being consulted or answering surveys.

Recently, participation has been addressed with reference to the use of new technologies, social media and digitization (Oomen and Aroyo, 2011; Hampson et al., V. 2012), underlining not only that digitization is a means to ensure long-term preservation of the tangible and intangible heritage, but also that digitization of cultural heritage can increase processes of "democratization", in which new access routes to information concerning cultural heritage could be created. Indeed cultural artifacts and intangible heritage could be rendered more accessible when shared, embedded and recommended through digital means. Dissemination and awareness processes through digital tools could be very effective in heritage enhancement field and bring new affordances to the conservation and valorization practices. Furthermore, very often, the professionals involved in historic building management know very well the object of their study but at the same time they are less aware of the implicit value of the old construction. The approach aiming at the integration of traditional management tools and digital tools for enhancement take into deep consideration also the intangible aspects of heritage: traditions, cultural behaviors, and local believes are issues very often related to built cultural heritage, particularly in global south countries.

As stated by Yehuda Kalay, Thomas Kvan, Janice Affleck in *New Heritage: New Media and Cultural Heritage* (Kalay et al. 2008) "the complement of traditional methods to cultural heritage management has been augmented with the introduction of digital or new media. [...] Digital media can be utilized for much more than re-creation or re-presentation of physical entities. It has the capacity to become a tool to capture both the tangible and intangible essence of cultural heritage and the society that created or used the sites".

Global south countries are often rich in cultural heritage resources and till now this led to the creation of the most attractive tourist destination in the world. Despite challenges and opportunities, the tourism pressure needs to be managed and very well calibrate to preserve the right balance between conservation and enhancement. Is it possible to enhance and at the same time to preserve the cultural heritage in these countries? As identified by J.T. Dallen (Dallen, 2009) one of the most frequent threat to cultural heritage sites (in global south countries) inscribed into the UNESCO World Heritage List is the lack of management and tourism planning. And this framework participatory processes and audits with involvement of Indian students and researchers can improve the knowledge of problems related to tourism pressure or lack of planning in high density residential areas such as Jodhpur old city.

Another issue relates to high number of restoration projects carried out by foreign professionals in these countries. There is a strong need of multinational projects able to improve the capacity of local professionals in heritage preservation and management field. Learning-by-doing programmes able to take advantage of cooperation between world western and eastern institutions play a key role in heritage preservation in former developing countries (Kappagoda, 2002).

The above mentioned related to heritage preservation and enhancement through participation and local capacity building are represented and addressed in the Jodhpur Box project.

### **3. Jodhpur Box: project analysis**

#### **The Blue city of Jodhpur, a unique heritage site**

The main historic centre is a perfect picture. The Mehrangarh fort stands guard over the city like a sentinel. The Blue City or the Sun City as it is known is a perfect mix of warm hues with a contrast of indigo. The area chosen for the year 2014 is the settlement around the Gulab Sagar Lake. It is a mix of Bazaars, Streets, Lake Edge, other water bodies, residential areas, school and temples. The narrow winding streets of the walled city are an evolution into the era of automobiles. The auto rickshaws are tweaked for easy movement into the old city. However, narrow roads and lack of parking facilities is a curse for privately owned vehicles. In spite of this the traffic movement was mostly even. The land around the water bodies is considered devbhoomi and hence supports various social and religious activities but cleanliness has been ignored. With

sewage and garbage being pumped into them and the edges vastly littered with garbage and cow dung, their potentials remain largely unrealized.

The historic city centre is thus a picture of the dichotomy, of tradition and modernity, colour and chaos, attractiveness and repulsiveness, artistic expertise and environmental ignorance, coexisting as an urban heritage that deserves not only to be conserved, but also to be nurtured and encouraged to attain its full potential (Balzani et al., 2015).

**Figure 1 – The old Jodhpur: the blue city**



Contemporary architectural interventions in Asia are currently highlight an important fact: the majority of the solutions are closely linked to the respective local realities. These local initiatives, which are defined as vernacular solutions, are inevitably and permanently tied to the geographic, topographic and environmental features of their land of origin; nonetheless, they have the capacity to showcase new approaches to a more efficient energy management, especially in terms of natural light and overheating protection. In the last years many things have changed and have been lost in historic centres of many countries. People want to update their houses with modernity, there is the urge of improving the living standard of the people. Changes in the physical structure are inevitable and have been continuing from ancient times but there is the need of control over these changes (Bjønness, 1994).

The so-called new architectonic regionalism is driven by solutions developed in different areas and mediated by different authors, whose creative capacity, designing skills and knowledge originated from vernacular traditions. Despite the recognition gained in these years various elements have composed and emphasized the immense complexity and challenges for the management of the entity of the worldwide cultural heritage in historic centres. Since the mid-eighties a growing development pressure made itself visible within historic centres in different countries. Among these India stands out as one of the most strong economies of emerging markets countries. In these contexts very often the major transformations are brought by social changes: new needs and lifestyle lead people to transform the inner spaces, hereditary divisions of the

buildings causes a “split-up” and different transformations of the various parts of the same building; common spaces are facing illegal occupation and encroachment; these are only some of the causes that lead to heavy hybridization of the vernacular architecture.

Additionally, as stressed by Niels Gutschow (2011) in the essay, “Architecture: The Quest for Nepaleseness” various contemporary interventions outlines the ways that architecture displays the intertwining of nostalgia, politics, and technology. The construction of large-scale temples, coronation platforms, and domestic spaces in Asia reflects not only changing aesthetic tastes but also a desire for an architecture that is free of Western influences. In these historic cities people are very attached to their traditional house for different reasons but they need to be helped and supported by municipalities and other institutions in every single modification/conservation process.

In the past years a slow transformation process of the urban scenario appeared in historic city of Jodhpur. Almost two hundreds of interviews with local residents in a three years on field campaign show the main changes and related causes on the vernacular heritage. For instance at Ground Floor level of residential buildings very often the major transformations are brought by commercial development with a subsequent occupation of common public spaces. Dwelling use is still prevalent in Jodhpur private buildings upper floors. More frequently in private buildings used for dwelling the residential spaces at upper floors has been substituted by hotel activities, bar and restaurant and trade. This has been changing the use of space and the internal layout of the buildings.

#### **4. Governance, management of the project and participatory approaches**

The aim of the Jodhpur box project was to enhance the local cultural heritage of the city centre of Jodhpur through a project that implied the participation of both Indian students and Italian students, as well as trying to implement participatory approaches with the local population inhabiting the historical dwellings. The logic behind the project was to carry out a capacity building initiative, with the Italian academic and students who were expert in the use of digital technologies and 3D scanning applied to cultural heritage working closely with the Indian students in order to transfer their knowledge. Moreover, the project aimed at increasing the awareness of the local cultural heritage in the students and in the population by implementing participatory conservation and enhancement processes. The challenging environment highlighted above, implied the need to select the most suitable participatory method, aiming on the one hand to support local communities to manage their built cultural heritage and on the other side to mobilize and enhance popular knowledge of the heritage environment.

The initiative was promoted by the CEPT of Ahmedabad as a workshop in cultural heritage preservation and enhancement designed for their student.

The project was implemented as a joint initiative of three main authorities, The University of Ferrara – Department of Architecture, the CEPT University of Ahmedabad, and the Mehrangarh Museum Trust (Jodhpur), with the patronage of the Municipality of Jodhpur and Ahmedabad. This cooperation was reflected in the governance bodies of the project. It was indeed governed by two main bodies, a Scientific Committee and a Project Management committee, the first being composed by three members, belonging respectively to the University of Ferrara, the CEPT and the Mehrangarh Museum Trust. The Project Management team was instead composed by four project managers, two Indians and two Italians, both belonging to the above mentioned universities.

Though the conservation and enhancement project started as a top-down initiative of the above mentioned institutions, participatory conservation approaches were considered essential in the implementation phases and inserted throughout the different project development stages, in particular in the preliminary study phase and the output delivery phase. In the preliminary phase Interviews about the historical memories of the inhabitants as well as dialogues about how to conserve and further developing needs was used as a vehicle

for community engagement. These investigations and researches were carried out with the community according to a functional participatory perspective: community members participated by being interviewed and cultural surveys, regarding their needs in terms of their dwellings and the problems related to inhabiting a historical heritage building in a densely populated area. During these interviews the conflicting interests between conservation and enhancement of the cultural heritage and the need to renew the existing buildings and city centre in order to improve the life quality of the local inhabitants emerged and lead to a broader reflection concerning the need to empower the community, providing the opportunity to increase knowledge for making informed choices and reducing the conflict between decision-makers in charge of heritage conservation and enhancement and local population who used and inhabited this heritage.

As for the output delivery phase, the Jodhpur box exhibit was displayed in one of the most important and visited sites of the region and of the country, the Mehrangarh Fort, for a month totaling around 100.000 visitors, including local inhabitants (though data regarding visitors have not been collected by the local authorities managing the site). The digital exhibit included not only the digital representation of the local built heritage but significantly included specific sections on intangible heritage, i.e. the knowledge and memories of the interviewed inhabitants, with the specific aim to preserve intangible as well as tangible local culture and increase the awareness in the local communities.

### **5. Project implementation phase: capacity building and community participation**

During on site phases of this project, both Indian and Italian students documented a small part of historic city of Jodhpur. Doing this, they realized how people stay in historic core cities, how their houses and work are, and appreciate the safety in neighbourhood. In 2014, this experiment was extended to find solutions to the problems of local residents, student were exposed to thinking, besides just documenting. This is an experiment in learning about Historic city center. The programme was highly appreciated by students as their experience is unique, they found that in spite of lack of modern facilities, people are courteous and warm, and a whole lot of changes have taken place (since its inception) in built form, infrastructure, culture, religiosity, food and dressing of the residents of this historic core city.

In order to analyze the historic environment and outline design strategies, the city centre has been divided into some significant study areas to define an overview of the problems of Jodhpur.

Some areas have completely changed their use destination: Katla Bazaar, for example, was a monastery of the Kunj Bihari temple and now it is one of the main market of the east part of the city. All shops surrounded the “square” have the same interior structure. It is easy to identify the typical articulation of the haveli, the pristine Indian house, undergone over time to a double change: from monastery to public house and meanwhile from private to public square. This has overfilled the inner part of the square with motorbike and rickshaw, without a park-ing regulation and pedestrian areas.

The second main change concerned the house itself: the structure is the same of the past but the different uses over time changed the interiors in order to meet contemporary needs. Although identify and survey changes over time is very difficult, but it is possible to appreciate the unique architectonic and morphological layering of these neighborhoods.

The façades along the market streets have been analyzed; restoration and refurbishment have followed different assumptions, quite far from heritage conservation standards: the reconstruction of an old house usually concerns its demolition and then the proposal of a new architecture trying to replicate the previous one. The urban survey has focused on identifying the original buildings from those reconstructed through a careful analysis of the original shapes and spaces.

**Figure 2 – Capacity building programme for Indian researchers, interviews with residents and public colloquia**



In this phase, the interviews carried out with the local residents, brought fundamental information regarding the use of the spaces as well as the needs that could influence enhancement and development interventions in the historical buildings. Indeed, taking advantage of the interviews carried out with local residents it was possible to understand that the main spaces of the houses were unchanged, as the public spaces and the welcome spaces on the first floor, facing the main street.

Moreover, due to recent interventions in the conformation of the streets of the historic centre, motorbikes, rickshaw, animals, and people move altogether along roads, mixing vehicular traffic and making it congested. Therefore, one of the main design challenges focused on how to lay the vehicle flows, studying the traffic at different times of the day.

Another essential topic for the urban design involved water bodies; one of the main is-sue is the garbage. During the interview process with local residents it has been highlighted that the population doesn't know where to leave the rubbish which is left near the water bodies, attracting cows and dogs in search of food. Rubbish and waste invade the streets and the water is highly contaminated; in addition to a sort of recycling by people, municipality van collects plastic and glass, but it is not enough to solve one of the main problems that affect the public space. Design strategies analyzed possible urban spaces and devices where to collect and storage waste and, at the same time, green spaces where cows can move freely and eat healthy without hamper vehicular traffic. Every year a public colloquium is held on these issues to sensitize the municipality staff and residents on preservation issues.

## **6. Output delivery phase: The Jodhpur Box**

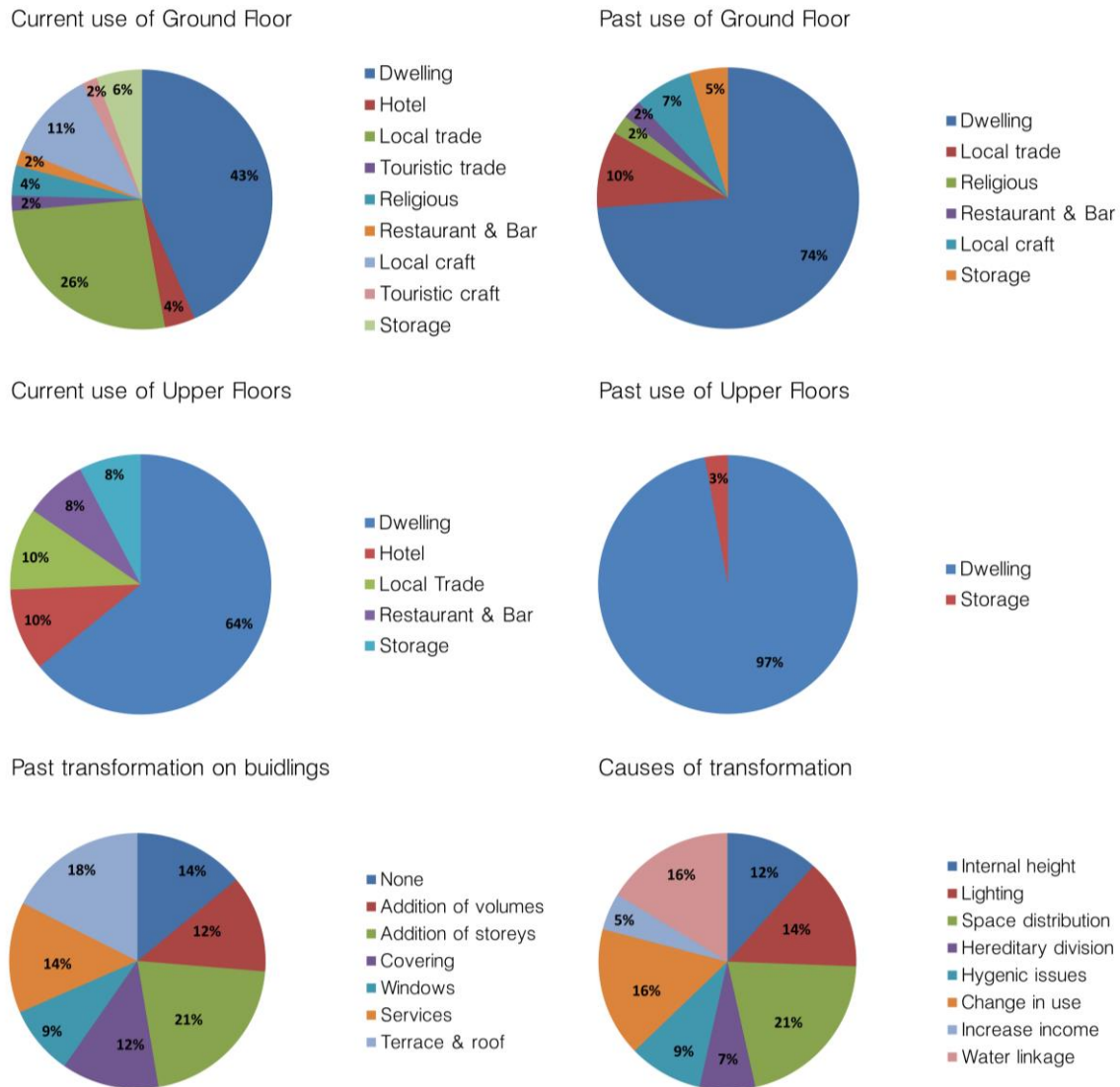
The last phase of the project aimed at promoting the participation of the local inhabitants through an approach that could be defined as a minimal participation, but who was considered by the organizers as a starting phase to further develop capacity building and increase awareness in the local people about their cultural heritage, both intangible and tangible.

The documentation collected over the last three years by the students was exhibited at CEPT University Campus in Ahmedabad and in Jodhpur city centre and in the main courtyard of Mehrangarh Fort (the second most visited Indian monument after Taj Mahal) to allow people to be aware of the value of Indian historic cities. The digital exhibition has been called "Jodhpur box" a square volume sized 4 by 4 meters and 2.5 meters high able to show the analysis on the architectures of the historic town of Jodhpur.

The "Box" is a flexible, digital, and adaptable multi-media exhibition which changes its nature according to where it is installed, the space it occupies, the technology available and its message. It is a digital format

born to disseminate the richness of Jodhpur old city. Entering the Box means trying to interact with the cultural heritage to increase awareness, new connections and therefore new visions (those of the visitor). The material in the exhibition is all digital. It is the source files (audio-visual, virtual models for analysis) that can be exported all over the Indian Territory.

**Figure 3 – A social analysis on transformations and features of the buildings**



The quality of work, the result of cooperation (not always easy due to the cultural diversity among students but absolutely inspiring for everyone) of now three years, this year also emerges among new works created: one of the topics addressed during the experience has been the preservation of the heritage memory towards an educational city.

However, no consistent monitoring of the participation of local inhabitants in the exhibition as well as no impact evaluation of the initiative in terms of increased awareness about the local heritage was carried out. With reference to the last topic, one major difficulty has been the language barriers; the promoters of the project have understood this difficulty and are currently implementing measures to solve this issue.



The creation of a Jodhpur Box and its ability to trigger an active conscience is an opportunity. If it will be translated into Hindi and inserted in prime locations the old will interact with the population fabric and improve understanding of the cultural value and the extraordinary quality of city space historical and its components. Contamination of important knowledge.

The geometric memory, the memory material and color memory, are just some of the memories which are documented and reported through the Jodhpur Box in order to make possible a true and effective path towards the preservation.

## **Conclusions**

Over the last years, many things have changed and have been lost in historic centers of many countries. People want to update their houses with modernity, and there is the urge of improving the living standards.

With the rest of Rajasthan, Jodhpur is progressing into an era of tourism with several earlier *havelis* (traditional courtyard house) being modified into high-end hotels and some into home stays. The locals are trying to find a place for themselves and fit into this new structure. While their love for the old city has not diminished, some of the residents are moving into the city outside of the walls in a search of a modern lifestyle making way for the migrant population.

Changes in the physical structure in Jodhpur old city are inevitable and have been continuing from ancient times but there is the need of control over these changes. There is a strong need of legislation and mechanisms to start a Building By-Law implementation able to explain what to do in order to preserve the original structures: there must be a soft change able to retain quality of the building. It does not have to be development versus conservation; the two issues should go along together. Very often, the major transformations are brought by social changes: new life styles, hereditary divisions of the buildings, need for space, and new services highly modified the cultural heritage in the past years. In Jodhpur historical centre three quarters of the residents are owners of the buildings, thus there is a strong need of legislation and mechanisms of protection that could drive and assist this people. Even if a preservation plan could be applied to parts of old cities maybe starting with some pilot projects it is important to highlight that a certain degree of alteration is nowadays necessary: strict conservation policies are useless without an effective compromises between development and preservation.

The design experience in the historic city of Jodhpur focused on new approaches and methodologies to analyse the historical urban context in order to harmonize the new interventions and projects in existing heritage and meet the contemporary requirements, with the aim of sensitising about heritage conservation respecting the local tradition and meeting the needs of the local community.

The documentation by the students of 2013 and of 2014 was exhibited at CEPT and at Mehrangarh to allow people to see and be aware of their sustainable historic city in the form of "Jodhpur box". The creation of Jodhpur Box and its ability to trigger an active conscience is a great opportunity. Moreover, the progressive policies of protection will also trigger new touristic flows bringing benefits to the local economy.

The Jodhpur Box project aimed at conciliating the needs for development and tourism valorization with the needs of preservation and enhancement using participatory processes involving local residents.

Indeed, though the governance and management structure of the project involved mainly the involved universities and the local authorities, the project attempted to establish a link with local population and inhabitants.

In a nutshell, the project was implemented according to different degrees of participation ranging from what could be defined as a functional participation approach (Spiridon and Sandu, 2015) in the preliminary phases to a minimal participation approach (Pimbert and Pertty, 1997) in the final phases. Though the project presented interesting starting points in terms of capacity building and increased awareness in the Indian

students involved, the project is still missing important participation tools to increase awareness in the local inhabitants of Jodhpur and in monitoring the level of engagement of local communities.

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## Óbidos, Literary Village: Innovation in the creative industries?

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### **Abstract**

The village of Óbidos was recognized in 2015 as a creative city in the area of literature, becoming a member of the UNESCO Creative Cities Network.

The attribution of the title depends on the fulfillment of a number of criteria the regions have to integrate. In addition to Óbidos, UNESCO attributed the same title in the same year to other European cities, including Barcelona, Nottingham, Ljubljana, Tartu and Lviv.

This article intends to conduct a case study to the cultural and artistic offer, as well as the cultural and literary legacy that different cities provide to be able to inquire the innovation of the proposals.

The study aims to assess how much Óbidos, compared to other cities with the same title, is creative. Knowing that the concept of creative city (Landry and Bianchini, 1995) results from the emergence of new technologies and a new type of economy based on creativity and innovation and that creativity implies removing economic or social value of the creative work or talent, the study aims to determine to what extent the processes generated gave rise to new ideas (creativity) and what processes led to its implementation (innovation).

Being innovation in the creative industries associated with product, process, positioning, paradigmatic and social innovation (Storsul and Krumsvik, 2013), it is concluded that, in Óbidos, the entrepreneurship initiatives are more focused on tourists who occasionally visit the village and the business opportunities that are generated there. New innovative and creative spaces were created, promoting literature and adding value and quality to urban space. This urban intervention resulted in the attraction of individuals who streamlined new habits of being and acting in the village.

Keywords: Creative City, Innovation and Entrepreneurship

### **Introduction**

The UNESCO Creative Cities Network was created in 2004 and tries to promote cooperation with and among cities that have identified creativity as a strategic factor for sustainable urban development through partnerships that associate the public and private sectors, professional organizations, community, civil society and cultural organizations from all over the world. The UNESCO Creative Cities designations try to recognise past, present and future: a strong cultural heritage, a vibrant and diverse contemporary cultural scene, and aspirations and vision to develop cultural potential.

By joining the Network, cities commit to sharing experiences, knowledges and best practices and developing partnerships in order to create, product, distribute and disseminate cultural activities, goods and services; develop hubs of creativity and innovation and broaden opportunities for creators and professionals in the cultural sector; improve access to and participation in cultural life, in particular for marginalized or vulnerable groups and individuals; fully integrate culture and creativity into sustainable development plans.

The Network is currently formed by 116 Members from 54 countries that pretend to place creativity and cultural industries at the heart of their development plans at the local level and cooperating actively at the international level.

The Network covers seven creative fields: Literature, Film, Music, Crafts & Folk Art, Design, Media Arts and Gastronomy (<http://en.unesco.org/creative-cities/home>).

In the field of literature, and to be considered cities of literature, applications must meet a number of criteria: quality, quantity and diversity of publications offered by the city; quality and quantity of educational programs focusing on national or foreign literature in primary, secondary and tertiary levels; literature, drama and/or poetry with an important role in the city; literary events and festivals that promote national and foreign literature; libraries, bookstores and cultural centers that preserve, promote and disseminate national and foreign literature; publishing industry involved in the translation of literary works and media contributing to literature promotion and in strengthening the literary products market.

## **1. Creativity and innovation**

There is not only a definition of creativity, but different approaches drawing from psychology and aesthetics. "Much of the literature draws on the etymological roots of the word, seeing creativity as about bringing something into existence, generating, inventing, dealing imaginatively with seemingly intractable problems. The connotations of the verb to create are positive; nearly all of its opposites are negative, including to destroy, to kill and to abolish" (Landry and Bianchini, 1995: 18).

In this sense, creativity is to think of new forms in an original way, making them unique and useful. It is also the ability to perform a product (idea, musical composition, drawing, advertisement, etc.) that is new and adapt it to the context in which it manifests itself. Finally, creativity is the combination of knowledge from different fields and it aims to solve problems.

"Creativity, in other words, is the process through which new ideas are produced, while innovation is the process through which they are implemented. A city may be very creative, but may not have the analytical, evaluative and financial skills to develop innovative solutions" (Landry and Bianchini, 1995: 20).

There is not innovation without creativity, so innovation is what counts in maximizing the potential of a city. Getting from creativity to innovation implicates evaluation, which "involves assessing how appropriate an idea is to a given situation, its feasibility, cost-effectiveness and popularity. Some cities may specialize in creativity and others in innovation" (Landry and Bianchini, 1995: 20).

Creativity implies removing economic or social value from creative work or talent, it aims to determine to what extent generated processes gave rise to new ideas (creativity) and what processes led to its implementation (innovation).

The concept of creative city (Landry and Bianchini, 1995) includes municipalities or urban spaces that advocate integration between artistic, cultural and social activities and industry and government. By focusing on the artistic and cultural production, the creative city is closely linked to the creative economy, the economy that assigns a value to art and creativity and, by encouraging entrepreneurship, makes culture a generating industry.

We have witnessed a paradigm shift with regard to economic and social development in that it integrates more and more new cultural and creative dimensions.

There is a growing awareness of the economic potential of creative industries. It is estimated that the ICC represents about 3% of total EU GDP, employing 6.7 million people across the 27 member states (European Commission, 2010). In Portugal, in 2006, the sector accounted for 2.8% of all the wealth created. The wealth generated exceeded the "traditional" sectors such as textile and clothing and food and beverages and it was similar to the contribution of the automobile sector. On employment, it generated 127,000 jobs, indicating a level of qualification and higher productivity than the national average.

The attribution of the title of Creative City by UNESCO reflects a development policy strategy that unites and mobilizes various sectors of the society to be able to make cities more attractive for the local population as well as tourists and foreign investors. And how do they achieve this attractiveness? Through creative

processes. These processes have been taking an increasingly collaborative profile in the designated creative cities. They are cases in which citizen participation further strengthens public-private partnerships, facilitating the management of human resources and generating increased earnings in public property appropriation and collective belonging, essential to sustainable development.

The State has a vital role in strengthening the creative economy, either in the survey of existing potential, or in planning actions, articulating economic and creative agents, in mobilizing available social energy, in direct promotion, in regulation of relations between economic agents, in mediation between the interests of economic agents and the interests of society as well as in monitoring the activities.

The State can and should encourage a favorable environment for the development of businesses and creators, so that the market can grow and realize its potential, not only for self-sustainability, but also for social gains.

In creative cities, the main policies applied are: stimulating innovation; promoting entrepreneurship; supporting creative entrepreneur's access to venture capital; supporting creative entrepreneurs in the achievement of markets in the country, and especially outside the country; fostering the development of creative clusters and protecting intellectual property rights to stimulate creativity.

Culture has taken, in this context, a central place. Cities' competitiveness strategies, for example, implemented in the search for more favorable positions in urban networks, have resorted abundantly to cultural resources, either through major events such as universal and world exhibitions at the level of global capital, either by promoting a dance school or a museum, at the level of small urban centers.

The active presence in a globalized world requires an increasing exploitation of competitive factors organized around culture, using it as an attractive argument either for insertion dynamics in international tourism circuits, or for insertion dynamics in scientific research and development networks applied to cultural fields, as well as for insertion dynamics in communities that generate cultural content (Mateus, 2010).

To understand the role of culture as a factor of human, economic and social development is essential to any assessment of the cultural and creative sector.

However, in this paper we do not intend to verify only what UNESCO has designated, the creativity in the cities, we intend to investigate to what extent the cities of literature are innovative; for this we will use the typology of innovation in the media and the creative industries in general proposed by Storsul and Krumsvik (2013).

Innovation has to do with change, "a key to understanding innovation is that existing knowledge is implemented in new contexts and that this opens up new possibilities" (Storsul and Krumsvik, 2013: 14). The five types of innovation identified by Storsul and Krumsvik are: product (changes in the products/services offered by an organization), process (changes in the ways in which products/services are created and delivered), position (changes in how products/services are positioned or framed within particular contexts), paradigmatic (changes in an organization's mindset, values and business models) and social innovation (innovation that meets social needs and improves people's lives).

## **2. Óbidos, Barcelona, Nottingham, Ljubljana, Tartu and Lviv Literature Cities**

In 2015, 47 cities from 33 countries have become members of the UNESCO Creative Cities Network. From those, 9 became UNESCO City of Literature: Baghdad (Iraq), Barcelona (Spain), Ljubljana (Slovenia), Lviv (Ukraine), Montevideo (Uruguay), Nottingham (United Kingdom of Great Britain and Northern Ireland), Óbidos (Portugal), Tartu (Estonia) and Ulyanovsk (Russian Federation).

They join the eleven existing UNESCO Cities of Literature – Edinburgh (UK, the world's first UNESCO City of Literature in 2004), Melbourne (Australia), Iowa City (USA), Dublin (Ireland), Reykjavik (Iceland), Norwich (UK), Krakow (Poland), Dunedin (New Zealand), Prague (Czech Republic), Heidelberg (Germany) and Granada (Spain).

This article intends to conduct a case study to the cultural and artistic offer, as well as the cultural and literary legacy that those recent Cities of Literature offer. We selected the six European cities designated and we will inquire about the innovation of their proposals.

Let's begin by the Portuguese village of Óbidos: it is located in a county with about 12,000 inhabitants and an area of 142 km<sup>2</sup>. It is recognized by its castle, its medieval roots and an exceptional set of historical and religious monuments.

"Since 2002, the local authority has been seeking to implement a development strategy grew out of a powerful marketing campaign – the 'Creative Óbidos' brand. It aims to combine culture, tourism and economy as an incentive for the regeneration and diversification of the local economy. The most visible part of this approach is the organization of public events that attract a significant number of visitors and tourists to the historical town (e.g. International Chocolate Festival, the Baroque May, the June Contemporary Art Month, the Opera Festival and the Óbidos Christmas Village)" (Tomaz, 2012: 8) and more recently FOLIO - International Literary Festival.

In 2009, "the local government launched a set of support infrastructures and financing schemes oriented to the attraction and retention of talents and companies related with the cultural and creative economy: the technology park offering material advantages (tax incentives, microcredit) and excellent working conditions; the incubation space called ABC to lodge creative and cultural businesses for a short period of time and a number of new cultural infrastructures, such as Casa das Rainhas (Óbidos Story Centre), São Tiago Bookshop, Casa do Arco, a network of museums and galleries and a Centre of Interior Design (Maria José Salavisa Centre)" (Tomaz, 2012: 8).

Between 2008 and 2011, the county led the European Union network URBACT II "Creative Clusters in Low Density Urban Areas". Inserted in the thematic cluster of creativity and innovation, the network aimed to develop innovative and creative solutions as well as services (new firms, more entrepreneurs and more opportunities) for local economies by enabling them to become more competitive in the global market.

Here begins the implementation of another project: 'Óbidos, Literary Village', a convergence project between the municipality and a private entity, a bookstore Ler Devagar (key partners) in order to involve people and heritage in the development process of a creative territory, in which literature would become the lever for economic and social development.

After 2011, in Óbidos opened 11 bookstores in unlikely places, degraded or destroyed buildings (a church, an organic market, an old cellar and a disabled primary school, for example) in order to promote tourism; in 2015, it held the first edition of FOLIO - International Literary Festival of Óbidos (key activities). Regarding the work throughout the year 2015, Óbidos won the award for Best Local Government Program, awarded by the Portuguese Society of Authors (SPA).

The city of Barcelona has 1.600 million and it is the literary hub of two languages: it is the world's largest center of publishing in Spanish language and capital of the Catalan language. It offers numerous bookstores that, besides the publications, offer creative writing workshops, book clubs and a weekly market of second-hand books dating back to 1882 (Mercat de Sant Antoni). It has 40 public libraries.

The city of Barcelona has a wide range of literary events all year long. Among the most important ones are: the St. George's Day on the 23rd of April, also known as the Day of the Book and the Rose, which is a most popular celebration with all the city's main streets full of people looking for books from the bookshop stalls and cuing to get their preferred writer's signature; the Kosmopolis Festival every two years; the Poetry Week in May; the Week of the Catalan Book in September and the Crime Fiction Week in January (key activities).

Barcelona was among the cities present at the ICORN (International Cities of Refuge Network) Founding Meeting in 2006. It had already been one of the oldest members of the previous City of Asylum Network, until this network was dissolved in 2005. The creation of a new network was then more than welcome by the city in order to continue offering a safe haven to persecuted writers, providing them with a safe place and a

cultural environment to stimulate their creative and literary activity (<http://www.cityofliterature.com/cities-of-literature/cities-of-literature/barcelona/>).

Nottingham has a population of about 300,000 inhabitants. It is well-known for the famous hero, Robin Hood, and national literary heroes, Lord Byron and DH Lawrence, as well as the Nottingham Castle from the eleventh century. It is the capital of shopping in England, including the Creative Quarter, recognized by the wealth of independent traders (startups cluster that cross the city's history with design, innovation and trade). The city offers offices at a lower cost when compared to other core cities in UK, which contributed to the reputation that the city has to support companies, and accentuates the tradition of rebellion against authority, of robbing the rich to give the poor, legacy of the Robin Hood's legend.

However, it faces a number of challenges with regard to education: literacy levels are below the national average, where 15% of young people leave primary school before age 11, with a literacy level similar to that of a child 7 years. Education, skills development, economic growth, tourism and culture were seen together to improve the quality of life for all.

Make Nottingham a city of literature was one of those steps, in which it called for the participation of companies, schools, organizations and residents' communities to promote the transformation and improve the quality of life.

Nottingham Central Library offers specialized services, local universities have courses in the field of literature and creative writing and there are numerous groups of writers that are mutually supportive.

The Nottingham Festival of Words had its first edition in 2012, it is organized by some of these literary organizations, such as Writing East Midlands and Nottingham Writers' Studio, with support from Nottingham city council.

Nottingham created the world's first online literary community with trAce Online Writing Centre. Set up in 1995, trAce hosted an international community that allowed contributors to generate a body of innovative creative work. Now an ongoing archive resource, trAce was produced as part of Writers for the Future, commissioned by The National Endowment for Science, Technology and the Arts (NESTA) and delivered by Nottingham Trent University and De Montfort University (<http://www.cityofliterature.com/cities-of-literature/cities-of-literature/nottingham/>).

The capital of Slovenia, Ljubljana has a population of 283,000.

Ljubljana is home for 14 theatres, 35 public libraries, 142 specialised libraries, and 2,628,810 books in the National and University Library of Slovenia. 284 associations and organisations promoting literature have their seat in Ljubljana, including the Slovenian Book Agency, the Slovene Publishers Society and the Slovenian Association of Literary Translators.

Since 1994, Ljubljana promotes the Living Literature Festival; however, in the city take place more 9 international festivals (key activities). Ljubljana was named the 10th UNESCO World Book Capital in 2010 for one year.

During World War II, the city was the centre of an illegal literary resistance movement, which saw graphic houses printing propaganda but also publishing literary works at this time of great unrest and distress.

Ljubljana has been a member of ICORN, like Barcelona, since 2011 (<http://www.cityofliterature.com/cities-of-literature/cities-of-literature/ljubljana/>).

Tartu, with a population of 97,000 inhabitants and a total area of about 39 km<sup>2</sup>, is considered the university capital of Estonia due to the University of Tartu, one of the oldest universities in Northern Europe, founded in 1632.

The two largest libraries of the city, Tartu University Library and Tartu Public Library, provide numerous collections, spaces for reading and writing, as well as exhibitions and literary events.



The event highlight is the International Literature Festival Prima Vista; first organized in 2004, it provides the annual meeting between writers, readers, publishers and members of cultural organizations with national and international visitors.

The application to UNESCO Creative Cities Network conciliated the city council's effort with a committee of representatives from various cultural and educational organizations (key partners). They foresee the strategic development of literature in five main fields of action: encourage and develop reading habits; optimize the literary scene, encouraging cooperation and partnerships between different organizations to increase the international reach; streamline the areas of creative writing, literary studies and translation through educational programs; protect freedom of expression and creation and support the diversity of literary culture.

The city has equipment that allows profiling it as an intellectual and a city of literature: Estonian Literary Museum, a national research institute administrated by the Ministry of Education and Research, the Tartu Writers' House, among others. The museum carries out work and research in the fields of folklore, religion, literature, art and culture, cultural history, life writing, ethnomusicology and bibliography, housing a number of archives within the building.

Tartu Centre for Creative Industries (TCCI) was founded on May 14th, 2009 by Tartu City Council and is a pioneer for Estonian creative industries, with over 1,300 creative industries flourishing in Tartu. The centre provides information and a wide-range of training to creative entrepreneurs, and has been commended by the research bureau KEA European Affairs. It is also involved in a number of projects, one being the Urban Creative Poles project, which focuses on the collaborative work of five cities around the Baltic sea (<http://www.cityofliterature.com/cities-of-literature/cities-of-literature/tartu/>).

The application of Tartu to the UNESCO Creative Cities Network focused on product and process innovation by creating new products, services and platforms and new ways of developing them leading to the involvement and participation of local people and national and foreign visitors.

A city of over 730,000 people, Lviv is home to 45 bookstores, 174 libraries, and 54 museums; since 2009, it is considered Ukrainian cultural capital.

Since its inception in 1997, Lviv's International Festival of Literature has hosted 538 authors from 38 different countries and welcomed audiences of over 60,000 people to the city. This makes it one of the biggest festivals in Eastern Europe, encompassing over 200 different events. Other Lvivian literary high points are the annual Ukrainian nationwide competition of children's reading, Knyhomania, and Belarusian-Swedish Literary Days, held in the Lviv Les' Kurbas theatre (key activities).

Since 2010, Ukraine has developed its literary culture by connecting with Norway through 'More Countries – More Books' program. The aim of this project is to foster the spirit of international literary collaboration and share experiences common to readers and writers in both countries.

In February 2013, more than 100 professionals from literature-related fields took part in the first 'Lviv- City of Literature conference'. Delivered jointly by Lviv City Council's Department of Culture and NGO Forum of Publishers (*Forum Vydavciv*), experts developed several projects, which focussed on enhancing Lviv's literary heritage and culture (<http://www.cityofliterature.com/cities-of-literature/cities-of-literature/lviv/>). Lviv shows how the dynamism of the cultural sector is an important pillar for innovation.

### **3. Cities of Literature: Creativity and innovation?**

After presenting the cultural and artistic offer, as well as the cultural and literary legacy that these different cities of literature provide it is possible to inquire about the innovation of the proposals. All of them are innovative in terms of product since they present different products and services that allow differentiating them from other national cities. They are innovative in terms of product when compared to the offer of other national cities. They cannot be considered innovative, in terms of product, when we only compare the

UNESCO's cities of literature offer. What they provide in terms of product is similar; all cities are known for the high number of bookstores and all organize international festivals dedicated to literature.

The other types of innovation already characterize cities in a different way.

The implementation of Óbidos as a literary village is a project that is due to product innovation (they created new services such as bookstores, art galleries and themed events and new platforms such as Óbidos TV, Municipality Portal and Óbidos official website), process innovation (the county of Óbidos streamlined new ways to create and develop products, activities and services by creating its own brand - Creative Óbidos - which serves a variety of products and services and intends to stimulate tourism development in the region and rehabilitation of old buildings in the village that made possible the creation of new businesses and new areas that streamline the municipality) and positioning innovation (creating the bookstores network in the historic center, that promotes diverse events delivered in different ways, made possible the involvement of the population and the participation of local community in some cases and attract visitors in other).

With the UNESCO's designation, the county intends to continue innovation in product and process level, so that all events performed in the village connect literature to the arts and economic activities. The number of visitors has increased and exceeded 135,000 in 2014 (80% of which are foreign tourists).

Although the number of inhabitants of Óbidos is clearly lower when compared with other cities presented here, the designation attributed recognizes the hugeness of the events held and the capacity for innovation and development. The fact that Óbidos manages to attract to each of its events a significant number of visitors is an asset in terms of tourism, but it has also allowed developing other sectors such as technology and education.

Barcelona can be characterized by innovation in product: the city of two tongues, the day of books and roses, Catalan book week and book fairs. In spite of this, they do not neglect process innovation: lifelong literary learning through more than a hundred courses of creative writing; as well paradigmatic innovation: Barcelona is a founding international city of refuge and it is an editorial capital, which promotes Barcelona's authors as well as other Spanish and international ones.

Nottingham can be characterized by process innovation: every month, it organizes a series of events that combine numerous activities such as exhibitions, presentations, training courses and lectures in order to let know new writers, but also to remember the works of famous writers that marked the history of the city and the country. Paradigmatic innovation is shown through the online literary community; positioning innovation results from the award-winning writing and graphics, Nottingham assumes itself as writer support.

All events are publicized to the city and region and through the web page ([nottinghamcityofliterature.com](http://nottinghamcityofliterature.com)), which is constantly updated with very complete content.

As a form of social innovation, it was created the Creative Quarter where you can find numerous companies and business areas.

Ljubljana stands by the numbers (10,000 cultural events per year, 10 international festivals and a high number of publications per capita), it is a literary city since 1112; paradigmatic innovation resulted in its designation by UNESCO as World Book Capital in 2010.

The city of Tartu, despite its small size, has a literary estate very diverse and heterogeneous. Considered the university town and the birthplace of Estonian culture, it welcomes the most prominent national event in the field of literature, an international conference, two most important libraries, the Estonian Literary Museum and it is supported by successful organizations interested in protect literature. The international conference reflects the paradigmatic innovation, as well as the literary organizations show social innovation.

The product and process innovation are notorious; through the creation and development of new products, services and platforms have been streamlined new ways to involve the local, national and international population.

Lviv hosts the Centre for Urban History of East Central Europe and positioning innovation is reflected in the title of 'Print City', it has over 400 years of print culture. Paradigmatic innovation is not careless: Lviv organizes a conference that has given it the title of Lviv - city of Literature Conference.

## **Conclusion**

The concept of Creative Cities resulted from the emergence of new technologies and a new type of economy based on creativity and innovation. According to UNESCO, and attending the purpose of electing some cities as creative, they must be able to attract businesses and creative and innovative people. This ability is related to a set of conditions and general environmental criteria, which are briefly described by the three T's of economic development, proposed by Richard Florida: Technology, Talent and Tolerance (2002).

Technology is what keeps the vitality of capitalism; talent relates to people that since they have more knowledge they are able to improve the means of production and markets; and finally, the most controversial factor is tolerance. According to Florida (2002), talent is mobile, streaming and only fixed in the most welcoming and tolerant place.

In this sense, a creative city implies a resident population with a high level of education, good education systems, a diverse community with strong cultural dynamics, quality of life and advanced technological infrastructure. In short, these are criteria that only a few cities around the world can fulfill in a short period of time, especially small and medium-sized urban centers or even rural areas. In fact, according to Moura (2010), there is no city in Portugal to apply this concept.

Although in recent years, two Portuguese localities have integrated the UNESCO Creative Cities Network (Óbidos and Idanha-a-Nova, both in 2015), the results obtained therefrom have contributed little to the economy. This relates to the confusion between the concepts of creative economy and cultural creation. According to Moura (2010), the initial creative culture, based on digital economy and design, generated unbridled development of artistic cultural manifestations. In sum, the authorities have devised their regions as creative just by offering shows, events and exhibitions and inaugurating museums and cultural centers. All these initiatives have always depended on public funding, making creativity dependent, little free and conservative.

To consider cities as creative, it is necessary to establish a set of public policies to attract development, innovation and economic growth and, consequently, improve the quality of life of citizens who live there.

We consider important for a city to be considered creative that it offers the basic technological conditions so that young people can develop creative projects and business innovation. It is important the availability of spaces for meetings, cooperation and production, as there is in 'Espaço Ó' in Óbidos, a space available for renting (it can be made by the hour, daily, weekly or monthly). In this space, all participants contribute and collaborate with ideas and solutions to develop projects.

We believe that a creative city is not the one that displays creativity, but one that creates social, technological and environmental conditions so that creativity can emerge and develop. Of the cities analyzed in this paper, we consider that all move positively towards achieving the true concept of creative city. The implemented public policies seek to support the creative industries as a key sector in the development of the economy of each. However, as mentioned above, we do not consider that only the diversity of events that each city offers enriches the region, certainly it provides large-scale tourism.

The entrepreneurship initiatives have succeeded slowly in improving the quality of life of its inhabitants, but they are, in Óbidos, more focused on tourists who occasionally visit the village and on the business opportunities that are offered there. We do not forget that the involvement of the population in each initiative makes them proudly 'obidenses', but we also believe that, at the end of each, despite the satisfaction for their village to be on the map of creative cities, the living standard of people has not improved significantly .

However, the application of Óbidos to UNESCO Creative Cities Network as a City of Literature has led to the involvement of population and immaterial and material heritage in developing a creative territory, making literature a lever for economic and social development. Urban practices, based on the paradigm of creativity, contributed to the creation of innovative spaces for the village's reinvention. They constitute an urban policy instrument to foster the creation of innovative and creative spaces and promote literature in the village, using the recovery of certain old areas with strong local identity, conducive to the implementation of practices conforming to the Creative City approach. Creative activities add value and quality to urban space, providing it with new infrastructure and converting it into innovation clusters. Through this urban intervention there were created new dynamics that fostered the attraction of individuals and instilled new habits of being and acting before the city.

We believe that the UNESCO's designation of Creative City in literature area played an important role in revitalizing the village of Óbidos since it fostered cultural activities, leading to the creation of important equipment and spaces in the village and the revitalization of the surrounding areas. Thus, it brought greater vitality to the village, more people, different cultures and different projects and it assumes as a reference in creative urban areas at national and European level.

Like other cities that belong to the UNESCO Creative Cities Network in the field of Literature, Óbidos has several innovative infrastructure and defined creativity as a strategic factor for its development as a county. Creativity and literary cultural industries are at the center of its strategic development plan, and its aim is to involve people and heritage in this process in which literature becomes a lever for economic and social development.

'Óbidos Literary Village' project is a sustainable and creative development territory strategy and shows that it is possible to consider cultural development of alternative agendas in close cooperation with the economy and even with urban regeneration. Óbidos application for Creative City of Literature was a natural step in the growth of networks of a village that has reinvented itself through the literary concept and creativity.

With the emergence of Óbidos Literary Village, resulting from the association between the municipality and the private entity Ler Devagar, came the reconstruction challenge and expansion of opportunities for urban regeneration and economic development, which promotes tourism.

Thus, Óbidos application for Literature Creative City was based on this structuring project of the Óbidos' local government, and UNESCO's designation occurred just after the first FOLIO edition - Óbidos International Literary Festival, held between 15 and 25 October 2015.

What distinguishes Óbidos from other cities that have been analyzed in this paper is the fact that there is not a past linked to literature, in spite it fulfills all conditions for its designation as Literary Creative City. Everything that today makes the village proud is related to recent projects, most of them created for the application to the UNESCO Creative Cities Network.

A good testimony of this is FOLIO, with only one edition held two months before the creative city designation, as opposed to Ljubljana, for example, which has the Living Literature Festival since 1994.

Since Óbidos connection to literature is so recent, this reinforces the idea that responsible identities should have regarding local population: residents should be the focus, so they can appropriate from within proposals. Instead what we state is that economic growth of the village and its visibility at international level are the main axes: the municipality itself states in its website that this literary village project "promotes permanence and experience tourism, not limiting Óbidos to its natural and heritage beauty" (<http://www.cm-obidos.pt/News>).

Certainly, there are other advantages aggregated to the project, such as the rehabilitation of abandoned spaces (the example of the church transformed into a bookstore) and the economic growth of the village, which indirectly contributes to some prosperity of its inhabitants. But none of these projects focuses directly

on local population, people who were born, grew and live daily in the village and people who are not only present in media events.

The Óbidos Literary Village project must evolve in order to maintain national and international recognition of the creativity and innovation of its proposals, but it has to focus also on local population. Óbidos has managed to create, product, distribute and disseminate cultural activities and goods as well as to improve access to and involvement in cultural life but it has to develop citizen participation in order to achieve collective belonging. For instance, we do not know the contribution of Óbidos Literary Village to its inhabitants reading habits. Encouraging and developing it should be a priority, now that the village is on international routes.

To promote participation instead of involvement is the next step, since involvement implies the effort of an active part in leading the other, supporting a sovereign point of view that is not the way to please residents. Instead participation means to imply the two parties and a possible entry for confrontation, trial and error and unforeseen, which will allow residents the ownership of cultural practices proposed.

It is not intended that Óbidos become "a kind of theme park, located in a continuous present, disguised as a false memory, in which relations between individuals are based on consumption and the political subject is replaced by the consumer" (Balibrea, 2003: 40). The way forward goes through a fluid bind that has to be built space and discursively with the local community, turning it into enlightened agents.

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## Policies to support cultural and creative industries: Opportunities or threats for cultural heritage? Empirical evidence from the UK

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### Abstract

Over the last twenty years, the increasing attention to creative economy, creative industries and creative class has attracted the consideration of European public policies, contributing to a progressive shift from “cultural” to “creative”. In Italy, the switch towards the Cultural and Creative Industries, supported by the economic and managerial literature, has influenced national and regional public policies such as some cultural district projects. In this innovative context, the paper focuses on the origins, features and effects of the shift towards creativity, aiming at understanding its impact on cultural heritage and museum management. Going over the scientific debate on this topic, the beginning of this new approach and its development are pointed out, analysing the case of the UK. The research is based on the deep examination of scientific articles, policy documents and reports and strengthened by some in-depth interviews to a sample of museum managers in London.

Keywords: cultural heritage, museums, cultural and creative industries, cultural policies

Language is a powerful tool for re-invention of a world order where former valued ideals have disappeared and new ones given precedence (Caust, 2003: 56).

### Introduction. Research rationale and aims

On the 22<sup>nd</sup> of February 2014, when he took office, the Italian Ministry of Cultural Heritage, Cultural Activities and Tourism, Dario Franceschini, stated that his Ministry was the most important Italian economic ministry (E&Y, 2016: 3). Nowadays, the economic role of cultural heritage is widely recognised: cultural heritage is a *source* and a *resource*, promoting not only cultural diversity, peaceful coexistence, quality of life and human development, but also contemporary creativity and sustainable development (Council of Europe, 2005). In order to achieve these goals, in the recent report *Cultural Heritage Counts for Europe*, a four pillars approach is adopted to measure its social, economic, cultural and environmental impact (CHCfE, 2015).

However, from an economic point of view, when analysing the role and impact of culture, cultural heritage is often included in a wider range of cultural and creative activities whose boundaries are blurred and where the specific position of cultural heritage is not well defined. Focusing on Italy, according to the first study on cultural and creative industries, *Italia Creativa* (Creative Italy), in 2014 the cultural and creative sector produced 40.1 billion euros (E&Y, 2015: 10), employing 850,000 people (3.8% of working people) (E&Y, 2015: 17 and 27)<sup>1</sup>, while the report *Io sono cultura* (I am culture) stated that in the same year the Cultural Production System contributed 78.6 billion euros to the gross value added, employing 5.9% of working

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<sup>1</sup> These data are referred to direct value and direct employees.

people (Symbola & Unioncamere, 2015: 25). These discrepancies depend on the different methods applied in the two reports to draw the perimeter of the cultural and creative sector. The former considers a total amount of 11 cultural and creative sub-sectors: architecture, performing arts, visual arts, cinema, books, music, advertising, press, radio, television and home entertainment, videogames (E&Y, 2015: 12). The latter identifies 5 categories linked to the cultural and creative industries: cultural heritage, performing and visual arts (or non-reproducible cultural activities), cultural industries, creative industries (design, architecture and communication) and creative-driven activities, encompassing all the economic activities that have tight synergies with the cultural and creative sector (Symbola & Unioncamere, 2015: 51-52).

In addition, in some cases the position of cultural heritage is not clear. Just to provide an example, the report by Ernst & Young includes museums, monuments and archaeological sites in the category “visual arts”, without considering libraries and archives – that seem to be completely excluded by the report – and perpetuating a critical confusion between “art” and “cultural heritage” (Cerquetti, 2014; Montella, 2016). This mix-up is also fostered by the European report *Economy of Culture in Europe* (KEA European Affairs, 2006), that places cultural heritage among the “core arts field”.

Finally, aiming at understanding the value of cultural heritage, some sector’s specific weaknesses and strengths have to be highlighted. When analysing their contribution to overall gross domestic product (GDP) and employment, cultural heritage and other sub-sectors have different performances. In 2015, the value added by the creative-driven activities was 2.3% and that generated by the cultural industries was 2.2%, while cultural heritage joined only 0.2% (Symbola & Unioncamere, 2016: 63). The situation is similar for employment: 2,4% for the creative-driven activities, 2% for the cultural industries and only 0.2% for cultural heritage (Symbola & Unioncamere, 2016: 64). Even considering data about the economic return generated by cultural heritage, the conclusions are not reassuring: in 2007, Italy obtained an average return of 0.5 million euros per cultural site, while, in the same year, in the USA the return was 8.16 times the size of the Italian one; 1.8 million euros was the return generated by France and 3.3 million euros that one generated by the UK (E&Y, 2016: 84). However, the multiplier capability of cultural heritage is the highest after the thriving creative-driven sector – respectively, 2.09 and 2.20 in 2015 (Symbola & Unioncamere, 2016: 96)! As a matter of fact, cultural heritage has to be considered a public good generating positive externalities in the tourism or food sectors.

Trying to provide some preliminary comments on these data, the problem is that they “are functional for market making; but not for an understanding that will provide and evidence base for policy making or intellectual enquiry” (Hesmondhalgh and Pratt, 2005: 10). Reading these reports, it is tough to grasp both the specific needs and strengths of different sub-sectors and how cultural policy and management have to act.

Considering the lacks of these statistics and the need to disentangle differences between cultural heritage and visual arts, cultural and creative industries, this paper seeks to understand if the current attention to the cultural and creative sectors hides opportunities or threats for cultural heritage management in countries – such as Italy – where its diffusion could be a competitive advantage. Focusing on the relationship between cultural policy and cultural management, the research would like to clarify:

- (1) the role of cultural heritage in cultural policy, beyond the old dilemma between heritage or contemporary (Matarasso and Landry, 1999): has cultural heritage been marginalised in the current debate and in national and local strategies? has cultural policy exclusively become the policy of cultural and creative industries?
- (2) if and how the cultural and creative industries approach has influenced cultural heritage and museum management in the last twenty years: has the shift towards creativity in cultural policy fostered the cross-fertilization among different sectors? has it helped cultural organizations to improve their performances and achieve their mission?

After recalling some policies putting creative industries at the heart of the growth agenda, the research



discusses the meaning(s) of cultural and creative industries emerging in the scientific debate on this topic, trying to understand origins, possible criticalities and effects of this new approach. Then, the case of the UK is deeply analysed – above all the period between 1997 and 2010 –, because “for most commentators it was with the election of ‘New Labour’ in Britain in 1997 that the decisive shift in terminology occurred, and the term ‘creative industries’ reached ascendance in public policy” (Galloway and Dunlop, 2007: 18). The paper examines scientific articles, the grey literature of policy documents and reports and the results of some in-depth interviews to a sample of museum managers in London.

## **1. Cultural, or creative – that is the question**

For the last fifteen years, international literature has given increasing attention to creative economy (Howkins, 2001), creative industries (Caves, 2000; Hesmondhalgh, 2007) and creative class (Florida, 2002), also attracting a relevant and growing public policy concern. A progressive shift from “cultural” to “creative” has followed, considering creativity as economic imperative:

the future of a competitive national economy is seen to depend, in this rhetoric, on the knowledge, flexibility, personal responsibility and problem solving skills of workers and their managers. These are, apparently, fostered and encouraged by creative methods in business, education and industry. There is a particular focus here on the contribution of the “creative industries”. This rhetoric annexes the concept of creativity in the service of a neo-liberal economic programme and discourse (Banaji et al., 2010: 70).

In April 2010, the European Commission published the Green Paper *Unlocking the potential of cultural and creative industries*, in order to develop a strategic approach and make its strong and attractive cultural assets the basis of a powerful creative economy and a cohesive society. In this Green Paper, a rather broad approach to cultural industries<sup>2</sup> is adopted, including cultural heritage and public sector. Differences between cultural heritage and performing arts, cultural industries and creative industries are here not enhanced. This method seeks to satisfy the need to promote the cross-fertilization among the different components of cultural and creative sectors, but it is likely to contribute to the flattening of significant differences. Actually, the Green Paper’s strategy does not consider the different needs and characteristics of cultural and creative organizations, such as differences between public goods, that are both non-excludable and non-rivalrous, and the production of which results in positive externalities that are not remunerated (e.g. cultural heritage), and private goods, that are excludable and rivalrous (e.g. media and books). Another neglected difference is that between cultural heritage, as tangible and intangible historical evidence of humanity and its environment, and arts and cultural activities carried out in the present, that do not necessarily become part of the European cultural heritage.

This approach is today shared by Creative Europe, the European Union programme for the cultural and creative sectors 2014-2020, aiming at fostering cross-border cooperation projects between cultural and creative organisations within the EU and beyond.

As already argued, the rationale of this approach has to be better investigated in order to understand if it aims at giving more relevance to the cultural and creative industries in the strict sense of the word. The origin may be

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<sup>2</sup> According to the Green Paper, “cultural industries” are those industries producing and distributing goods or services which at the time they are developed are considered to have a specific attribute, use or purpose which embodies or conveys cultural expressions, irrespective of the commercial value they may have. Besides the traditional arts sectors (performing arts, visual arts, cultural heritage – including the public sector), they include film, DVD and video, television and radio, video games, new media, music, books and press. This concept is defined in relation to cultural expressions in the context of the 2005 UNESCO Convention on the protection and promotion of the diversity of cultural expressions. “Creative industries” are those industries which use culture as an input and have a cultural dimension, although their outputs are mainly functional. They include architecture and design, which integrate creative elements into wider processes, as well as subsectors such as graphic design, fashion design or advertising. Tourism and ICT sector are not explicitly covered by the concept of cultural and creative industries, even though they are interdependent.

the pressures of the countries of Central and Northern Europe (much stronger in the CCIs [Cultural and Creative Industries] sector rather than in the cultural heritage sector compared to the countries of Central and Southern Europe), which in this way, in 2014-2020, will gain significant advantages in obtaining European funding, compared to the countries of Central and Southern Europe where cultural heritage prevails (Donato, 2013: 32, own translation).

In Italy, the shift towards the cultural and creative industries to the detriment of cultural heritage has been supported by economic and managerial literature (Sacco, 2010; Santagata, 2009 and 2014) and had an impact on national and regional public policies. A relevant confirmation is provided by some new regional cultural districts shifting from the *armatura culturale* (cultural framework) to the *atmosfera creativa* (creative atmosphere) (Cerquetti and Ferrara, 2015; Montella, 2015). Given that location is a relevant factor in creative processes (Drake, 2003), cultural clusters are “expected to function as contexts of trust, socialization, knowledge, inspiration, exchange and incremental innovation in a product and service environment characterized by high levels of risk and uncertainty” (Mommaas, 2004: 521). This approach seems to be an attempt to apply to clusters of small towns and through public policy the model designed by Scott (2010) for US cities and metropolitan areas. Certainly, the public investment in the cultural and creative sectors may have positive implications for local development, but it is too early to measure the long-term impacts of these recent projects.

Nevertheless, some methodological comments are possible. Sharing the resource-based approach, when planning and building cultural clusters, a preliminary strategic analysis should identify the distinctive assets that underpin local success in the global context (Barney, 1991; Grant, 1991). However, in some cases the cultural and creative industries approach has not been accompanied by an analysis of the unique and excellent resources that could ensure a long-term development. More frequently, a mere and acritical adhesion to a new “cool” model – probably successful in other countries – has prevailed, without a thorough knowledge and understanding of processes and dynamics able to support a sustainable “glocal” way to creative economy.

These first critical issues are sufficient to advocate an accurate analysis, both pinning down the meaning of “cultural and creative industries” and highlighting some significant differences between them and other sectors. A theoretical clarification could help policy makers to avoid the superficial use and misleading application of vague and overlapping labels. The purpose is not to provide an exhaustive analysis of the scientific debate on this topic, but rather to point out some critical aspects: without aiming at completely solving the taxonomic problems and ontological status of cultural and creative industries, at least the possible influence of terminologies on cultural policy is underlined.

## **2. State of the art. Culture and creativity in cultural policy**

As Galloway and Dunlop have already argued, the lack of rigour and the inconsistent and confusing terminology currently used in cultural and creative industries policy is related to “weaknesses in conceptualising both culture and creativity” (Galloway and Dunlop, 2007: 17). If “culture is a difficult concept, at once utterly familiar, but also complex and hard to fully pin down” (O’Brien, 2014: 2), much more blurred, vaguer and even wider is the meaning of creativity, such as contradictory could be its narrative. As a consequence, it is hard to provide a clear and precise definition not only of cultural and creative activities, but also of their value and the quality of their activities. In addition, given that many of these semantic and political hitches are related to the still unsolved tension between culture and economy (O’Connor, 2007: 7), scholars do not agree even when stating and discussing the meaning of industry and industries. As pointed out by Simon Roodhouse, it could be called a “contorted and torturous definitional historical discourse” (Roodhouse, 2006: 14).

Focusing on cultural and creative industries, according to Throsby, creative industries produce *creative* goods and services, while cultural industries produce *cultural* goods and services and are “a subset of the wider group of creative industries” (Throsby, 2010: 89). Trying to explain this tautological definition, in his book, Throsby provides a definition of *creative goods* as “products that require some reasonably significant level of creativity in their manufacture, without necessarily satisfying other criteria that would enable them to be labelled ‘cultural’” (Throsby, 2010: 16-17) and *cultural goods* as products or services that: (1) require some input of human creativity in their production; (2) are vehicles for symbolic messages to their consumers; (3) contain some intellectual property; (4) are subject to rational addiction<sup>3</sup>; (5) “yield cultural value in addition to whatever commercial value they may possess” (Throsby, 2010: 16). Following Throsby’s approach, O’Connor argues that:

the cultural industries are those activities which deal primarily in symbolic goods – goods whose primary economic value is derived from their cultural value. [...] This definition then includes what have been called the “classical” cultural industries – broadcast media, film, publishing, recorded music, design, architecture, new media – and the “traditional arts” – visual art, crafts, theatre, music theatre, concerts and performance, literature, museums and galleries – all those activities which have been eligible for public funding as “art” (O’Connor, 2000: 5).

The distinction between cultural and creative industries supported by Throsby reveals some weaknesses that it could be useful to point out. Considering the aims of this paper, it could be sufficient to highlight here just three main issues. First of all, given that all human activities need some input of human creativity and many of them require relevant level of creativity, every industry could be considered creative. Secondly, the meaning of “symbolic message” or “symbolic goods” – widely discussed in the scientific debate (Martin, 2004: 4) – is an ambiguous and volatile concept whose boundaries are uncertain: as asked by Flew, is now “possible to exclude any activity of industrial production that has a symbolic content?” (Flew, 2002: 12-13). Moreover, the focus on symbolic, aesthetic and artistic nature supports the distinction between utilitarian and non-utilitarian functions, that is mystifying, because based on a narrow definition of economic value (Montella, 2016). Finally, excluding the idea that every human activity may contain some intellectual property, some activities connected to the management of cultural heritage should be excluded, because they could not be protected by Intellectual Property Rights – even though Throsby considers them as a subset of cultural industries.

Recognising that conceptual analysis and policy-making are tightly intertwined and trying to put aside the cultural-creative industries debate, some scholars have focused on the emergence of the cultural and creative industries in cultural policy, in particular the shift from cultural to creative industries (Hesmondhalgh and Pratt, 2005), concluding that cultural and creative industries are the same industries:

the term “creative industries” is a political construct first deployed by the British government in 1997 under a new Labour administration. The term “cultural industries” had been used previously by Labour-run metropolitan councils to point to more or less the same activities. There was no explicit discussion of why the term changed, nor a statement of a comprehensive definition in distinction to “cultural industries” (or any other term) (Pratt, 2005: 32).

According to Pratt, the adoption of a new term<sup>4</sup> could be explained as an attempt made by the “new” Labour to position itself as politically centrist and differ from left-leaning cultural industries policies led by “old” Labour. Moving from the same assumptions, Hewison has pointed out how the shift from “cultural” to “creative”, up to the rhetoric of creativity, sounded at last unbeholden to the past and suggested freedom and

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<sup>3</sup> Rational addiction means that “increased present consumption will lead to increased future consumption, such that demand is cumulative” (Throsby, 2010: 16).

<sup>4</sup> Even though widely developed and diffused in the UK, the concept “creative industries” emerged in Australia in the early 1990s (Galloway and Dunlop, 2007: 18). Galloway and Dunlop quote here the speech given on the 12<sup>th</sup> of December 2002, in London, by John Howkins to the Inception Session, The Mayor’s Commission on the Creative Industries.

personal autonomy (Hewison, 2014: 61). The zenith of this process was the invention of “Creative Britain” (Hewison, 2014: 39), which the historian has identified as a perfect example of New Labour’s ideology continuing the all-pervasive and all-encompassing neoliberal programme established by the Conservatives:

when New Labour set out to encourage individualism and release a new spirit of entrepreneurialism, it had to use the state to set it free. To achieve this, it had to bring about not just institutional reform, but a *cultural* change. [...] And who could be against creativity? Creativity is positive and forward-looking – it is *cool*, just as New Labour wished to be (Hewison, 2014: 5).

As we are going to argue in the next paragraph, while distancing itself from the Conservatives, the New Labour was bolstering their neoliberal programme.

Placing the shift to creativity in the context of global society, the term “creative industries” could also be considered the result of industrial, technological and cultural changes, such as the development of media and communications: as pointed out by Garnham, it is related to “copyright industries”, “intellectual property industries”, “knowledge industries” and “information industries” (Garnham, 2005: 15-16) and connected to the promotion of the information or knowledge economy, that is a legacy already developed by the Conservative administration (1979-1997). In this perspective, Cunningham (2002) “argues that the latest phase of technological change including the World Wide Web and digitalisation has overtaken the old concept of the ‘cultural industries’, which was focused on the ‘arts’ plus the commercial media (film, broadcasting, music)” (Gulloway and Dunlop, 2007: 19).

Finally, Hughson and Inglis hailed “the so-called ‘creative industries’ of mass mediated popular culture” as a democratic attempt to undermine “the legitimate high culture pretensions of art forms such as painting, ballet, classical music and theatre” (Hughson and Inglis, 2001: 458) and marry quality (i.e. excellence) and access. As a consequence, the creative industries policy has been stimulating – not only in the UK – a new approach to local development and the creation of cultural clusters, based on: strengthening the identity, attraction power and market position of places; stimulating a more entrepreneurial approach to the arts and culture; encouraging innovation and creativity; finding a new use for old buildings and derelict sites; promoting cultural diversity and cultural democracy (Mommaas, 2004).

All this debate has boosted not only the attention to the economic value of culture, but also networking across boundaries, audience development and cultural participation<sup>5</sup>. However, some lacks have to be highlighted. If the focus has been firstly put on creativity and intellectual property, ignoring the distinctive attributes of culture (Gulloway and Dunlop, 2007: 28-29), the current shift to the creative industries has been contributing to the marginalisation of activities that are more linked to culture than to creativity. In particular, the heritage sector has been almost completely omitted in cultural policy debate (Cunningham, 2002). In many cases, it is not included in the cultural and creative industries, nor considered beside the other cultural or creative sectors. The tension is between traditional arts and cultural and creative industries *stricto sensu*, because art and artistic value are the most relevant issues in this debate. The dispute between mass production and not mass production, cultural value and commercial value, excellence and access follows. These dilemmas are also connected to the artistic quality of products and services. Sometimes, museums are encompassed in this discourse, but what about archaeological sites, monuments, libraries and archives? If all of them are part of the heritage, why are they separated? The reason is that museums are here considered as the place of art – such as galleries –, even though they are not necessarily art museum.

The distinction made by Kea (2006) is perhaps a good starting point to give heritage a place in cultural policy, but after reviewing the “core arts field” (Figure. 1).

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<sup>5</sup> See the dispute between the *democratisation of culture* approach and the *cultural democracy* approach: the former is based on a top-down dissemination of the arts, whereas the latter advocates a bottom-up approach, “whereby people are taught to explore their own creativity from their early years” (Hughson and Inglis, 2001: 474).

Figure 1 – The cultural and creative sectors (Source: own elaboration from Kea, 2006: 3)

Circles	Sectors	Sub-sectors	Characteristics
<b>Heritage</b>	Tangible heritage	Museums and “diffused museum”, libraries, archives, archaeological sites, built heritage, and landscape.	<ul style="list-style-type: none"> <li>- Non-industrial activities (services)</li> <li>- Output are not prototypes or “potentially copyrighted works”</li> </ul>
	Intangible heritage	Traditions, dances, songs, literature, etc.	
<b>Core arts field</b> (non-reproducible cultural activities)	Visual arts	Paintings, sculptures, photography, etc.	<ul style="list-style-type: none"> <li>- Non-industrial activities</li> <li>- Output are prototypes and “potentially copyrighted works”</li> </ul>
	Performing arts	Theatre, dance, circus, concerts and festivals, etc.	
<b>Cultural industries</b> (reproducible cultural activities)	Film and video		<ul style="list-style-type: none"> <li>- Industrial activities aimed at massive reproduction</li> <li>- Outputs are based on copyright</li> </ul>
	Television and radio		
	Videogames		
	Music		
	Books and press		
<b>Creative industries and activities</b>	Design	Fashion design, graphic design, interior design, product design, etc.	<ul style="list-style-type: none"> <li>- Activities are not necessarily industrial, and may be prototypes</li> <li>- Although outputs are based on copyright, they may include other intellectual property inputs (trademark for instance)</li> <li>- The use of creativity (creative skills and creative people originating in the arts field and in the field of cultural industries) is essential to the performances of these non-cultural sectors</li> </ul>
	Architecture		
	Advertising		
<b>Related industries</b>	ICT, tourism, etc.		<ul style="list-style-type: none"> <li>- This category is loose and impossible to circumscribe on the basis of clear criteria. It involves many other economic sectors that are dependent on the previous “circles”</li> </ul>

From a theoretical point of view, a wider approach to cultural policy recognising the different characteristics of cultural and creative sectors and sub-sectors could help to: understand and satisfy the specific needs of different activities (i.e. reproducible and non-reproducible, copyrighted and not copyrighted, etc.); identify

how to promote their cross-fertilization, putting the attention on how they could help each other; enhance local specific assets (i.e. cultural heritage, local cultural activities, local cultural and creative industries, etc.) in a glocal perspective; promote real access to culture, from the understanding of cultural heritage value to the exploration of own creativity according to the *cultural democracy* approach.

### **3. Research method and findings**

The research has chosen the UK as a case study, because it could be considered the “headquarters” of cultural policy and strategies based on creativity and cultural and creative industries, even “the world’s creative hub” (Blair, 2007, quoted in Holden 2007). As we have already argued, the huge amount of scientific papers analysing cultural policy in the UK confirm its relevance and influence also in the international debate and context.

The research was divided in two phases: a desk analysis and a field research. The desk analysis was conducted through a literature review aimed at studying not only the most recent publications on this matter (articles and books), but also grey literature (public documents, reports, green papers, white papers, statistics, etc.). The field research opted for a qualitative approach seeking to reveal aspects that do not emerge from statistics: “given that a start has been made on quantitative data gathering, we can perhaps stress the need for more qualitative analysis of the cultural industries that captures their organizational and institutional contexts” (Hesmondhalgh and Pratt, 2005: 10).

In order to better understand the impact of cultural policies on cultural heritage and museum management over the last twenty years, an interview protocol was created to investigate the opinions and points of view of some museums. After a short presentation of the institution (mission, activities and future programmes) the interview investigated these topics:

- 1) *Heritage in the UK*: the role of cultural heritage in cultural policies in the UK; the commodification of heritage: consequences and threats; the debate on cultural heritage in the UK and its crucial issues; public support; the interaction between museums and cultural heritage;
- 2) *New Labour’s agenda*: the shift from “cultural” to “creative” in the late 90s: impact, strengths and weaknesses; the interaction between the subsidized sector and the commercial sector; public funding and entrepreneurial culture; the relationship between centre and periphery;
- 3) *European policies*: the impact of European policies; the participation in European networks and projects; cooperation with European institutions;
- 4) *Target culture, performance measurement and the democratization of culture*: NPM and performance management in cultural sector; the arm’s-length principle; value for money; evidence-based policy and target-driven culture.

The in-depth interviews were conducted between March and April 2016 involving 5 museums in London that are different for typology and property<sup>6</sup>: the Science Museum, the British Museum, the Geffrye Museum of the Home, Royal Museums Greenwich and the Wallace Collection<sup>7</sup>.

One of the first research results has confirmed the relevance of this topic in the scientific debate. In particular, in recent years, a huge amount of research projects, journal articles and other publications have investigated changes occurred in cultural policies in the UK (Gray, 2000; Eisenberg et al., 2006; Hewison, 2014; Hesmondhalgh et al., 2015).

Deeply analysing this topic, some preliminary comments have to be made about the role of cultural heritage

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<sup>6</sup> Some information is also available in the institutional website: Science Museum, <http://www.sciencemuseum.org.uk>; British Museum, <http://www.britishmuseum.org/>; Geffrye Museum of the Home, <http://www.geffrye-museum.org.uk/>; Royal Museums Greenwich, <http://www.rmg.co.uk/>; Wallace Collection, <http://www.wallacecollection.org/>.

<sup>7</sup> People who participated in the interviews are: Helen Jones, Head of Strategy and Planning, Science Museum; Joe Edwards, Department of Communication, British Museum; David Dewing, Director, Geffrye Museum of the Home; Christopher Gray, Museum Secretary, Royal Museums Greenwich; Christoph Martin Vogtherr, Director, Wallace Collection.

in cultural policies and studies. First of all, unlike what happens in Italy and other European countries, in the UK, cultural heritage and museums are seen as distinct in policy and funding terms, although there are considerable overlaps and shared interests<sup>8</sup>. They are also seen as two separate fields from an academic perspective, where the distinction between heritage studies and museum studies is quite frequent (Hesmondhalgh et al., 2015: 163). For this reason, in many of the scientific papers we have already analysed, we could find some references to museums – in some cases considered a cultural industry (O'Connor, 2000) –, but not to cultural heritage.

Even though having tight connections with industry, in the British context, cultural heritage policy has had a separate and different history and development from cultural and creative industries. First of all, the debate on cultural heritage management has been mainly referred to issues connected to its protection – preservation, conservation and restoration –, varying according to the definition of heritage that is adopted and that is currently wider and more general than in the 19<sup>th</sup> century and in the first half of the 20<sup>th</sup> century (Harrison, 2013). More recently, the need of heritage protection has led to a very “heritage obsession” (Cowell, 2008), meaning that the state now has considerable powers of intervention in what is largely private property. The creation of the Heritage Lottery Fund (HLF) is a clear confirmation of this new approach. Secondly, the nub of the debate on heritage in the UK has been the policy promoted by the Conservatives for its conservation under the Thatcher and Major Governments between 1979 and 1997, escaping even the rhetoric of liberalization. Pendlebury analyses three arguments, that could provide some general explanation for the success of conservation under the Conservatives and its unprecedented degree of consensus – even though “none of these arguments seems to satisfactorily explain all the actions of the governments of this period” (Pendlebury, 2000: 47): (1) the economic commodification of heritage, considering conservation and regeneration as essentially complementary; (2) the political symbolism of heritage, using the past for political purposes as a way of reaffirming national identity and “making Britain Great”; (3) the dominant ideology thesis. According to this last argument, “the heritage selected for protection becomes not simply a reflection of the tastes and ideas of elites but part of the apparatus that ensure the maintenance of the present social system” (Pendlebury, 2000: 47). The consensus achieved on conservation policy in this period has led to the progressive development of the heritage industry – above all the birth of open air museums and the increasing commodification of heritage (Hewison, 1987 and 1995). As pointed out by some critics, heritage has been exploited to provide “an improved version of the past” through emotional experiences, even a “bogus history” (Hewison, 1987: 10 and 144). In particular, country houses and museums have been involved in this process as theatres for the nostalgic re-enactment of the past as a better place, making heritage an economic asset and tourist attraction.

At the same time, by the early 1980s, developing the ideology of economic regeneration, other strategies put their focus on the role of cultural industries for local development, especially urban regeneration: the cultural policies of the Greater London Council (GLC) led by “old” Labour are often cited as “a seminal moment” (Hesmondhalgh and Pratt, 2005: 3), followed by Sheffield’s cultural industries policies and a variety of projects linked to urban regeneration.

In the late 1990s, the New Labour definitively shifted the attention to the creative sector, encompassing “those industries that have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the general exploitation of intellectual property” (DCMS, 2001: 3), thus achieving an explicit innovation compared to the previous policies pursued both by the Conservatives and “old” Labour. Creativity suggested a “classless freedom and personal autonomy, positive values associated with what was increasingly understood as the post-modern economy of signs and symbols” (Hewison, 2001: 236). However, it is a tricky buzzword, even an “illusory idea” (Pratt, 2004: 119), not only tough to

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<sup>8</sup> In Italy, for example, museums are cultural institutions and a component of cultural heritage.

define, but also occurring in various industries outside the arts. Just to provide an example of the complexity of this argument, we mention here the first report aiming to quantify the contribution of creativity to the economy – the *Creative Industries Mapping Document* –, where the DCMS has included the computer software business: this, in 1998, together with advertising and design, accounted for almost half the total turnover of the creative industries, while the charitable and not-for-profit cultural sector that DCMS funded “constituted as little as 5 per cent of the creative industries as a whole” (Hewison, 2014: 42)<sup>9</sup>. As a consequence, “English Heritage was always at the back of the queue for DCMS funding” (Hewison, 2014: 79).

One of the first actions confirming this new approach was the “profoundly ideological” (Hewison, 2014: 27) rebranding of the Department of National Heritage becoming the Department *for* Culture, Media and Sport:

Dropping “heritage” meant that, throughout the Blair/Brown years, heritage organizations – notably English Heritage – would feel unfairly treated. [...] The economic and technological convergence between culture and media was the driver of what Smith claimed was a “whole industrial sector that no one hitherto has even conceived of as an ‘industry’” (Smith, 1998: 26) – the cultural industries (Hewison, 2014: 28).

Hereafter, carrying on from the Conservative “Cool Britannia” brand, heritage has become a part of cultural and creative industries, and, as such, has been treated as a cultural enterprise. Therefore, the emergence of Creative Britain has also been the success of “an instrumental agenda for the arts and culture through the introduction of prescriptive targets and clear expectations that the subsidised arts should contribute to the ‘joined-up’ delivery of social and economic agendas” (Belfiore, 2012: 104). Analysing the resurgence of a defensive and narrow economic instrumentalism in the post-New Labour, some scholars have pointed out that “the British cultural sector has been unable to articulate the case for cultural value in an effective and meaningful way” (Belfiore, 2012: 107).

As far as cultural heritage is concerned, the greater focus on cultural and creative industries has been accompanied by a decrease in funding for cultural heritage. Although this sector has continued to grow, the tension between “access” and “excellence” has not been resolved and goals of social inclusion and democratization of culture have not been fully achieved. In particular, a deeper analysis reveals two major weaknesses that deserve further study: (1) on the one hand, the persistence of social inequalities; (2) on the other hand, a big gap between London, where the most important national museums and most of the private and public funding are concentrated, and the rest of the country, where the decrease in funding for Local Authorities is relevant (Hesmondhalgh et al., 2015). These specific features and limits have to be considered, when exporting and reproducing certain policies in countries that have a different history and distribution and organization of cultural heritage.

As confirmed by interviews to some museum managers, in the UK the creative policies are and have been aimed at promoting the development of creative industries and have not had an impact on the organizations involved in the conservation and enhancement of cultural heritage. If some relationships with the creative sector have been strengthened, it was not thanks to these policies or specific incentives, but in order to face global changes such as digital revolution and needs expressed by new publics. Even the entrepreneurial skills of museums are not the result of recent funding cuts, nor the consequence of the cult of the measurable and the myth of ideology-free policy, but the effect of the managerial culture introduced in museums since the late 1980s through the systematic application of targets and performance indicators. With a few exceptions, the respondents also reported little impact of European policies on the management

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<sup>9</sup> In 2010 the decision was taken to exclude business and domestic software design and computer consultancy from the DCMS’s annual economic estimates for the creative industries (Hewison, 2014: 42). At the same time, changes occurred in NESTA (National Endowment for Science, Technology and the Arts): its sponsoring ministry stopped to be the DCMS and became the Department for Business, Information and Skills (Hewison, 2011: 239).



of cultural institutions and low participation in European projects. Finally, it was noticed that in the UK, unlike other European countries, a debate on the management of cultural heritage is almost non-existent.

## **Conclusions**

Some preliminary conclusions and remarks are here suggested, focusing on possible implications of the cultural change towards creativity for countries that have different roots, history and cultural system (Bell and Oakley, 2015).

The British Experience has had a great impact in Europe, both inspiring national cultural policies (Eisenberg *et al.*, 2006) and shaping the European agenda (European Commission, 2010), where cultural heritage has been included under the label of cultural and creative industries<sup>10</sup>. Even though the continuous success of the creative sector (CBI, 2014; UK Trade & Investment, 2014), if creative economy is seen as *inevitable*, it is much more difficult to understand its weaknesses and the opportunity of a revision (Campbell, 2014: 1000).

Some failures and lacks have been here underlined in promoting cultural access, overcoming social inequalities and gaps across the country, developing an evidence-based policy, and fostering the cross-fertilization between cultural heritage and cultural and creative industries. In particular, in the “glocal” context different performances and results achieved by different sub-sectors suggest the need to re-think growth agendas starting not from the creative industries as *the* winning strategy working and fitting anywhere, but from the enhancement of locally specific cultural assets and skills. From this point of view, the comparison with new perspectives and approaches could be a useful starting point. As already argued by Oakley, “if the notion of the creative industries is problematic, even more so perhaps is the sense that these are sectors that can be replicated and developed pretty much anywhere, without regard for the specifics of place” (Oakley, 2004: 72).

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# How cultural and creative industries are redefining policies for the historic urban landscape. The experience of Cagliari City as ECoC 2019's finalist and Italian Capitals of Culture 2015

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## Abstract

Since 2000 the rise of emerging countries, the turbulence of financial markets and the diffusion of ICTs have fundamentally modified the working field of cultural and creative industries. As a result, cultural and spatial planning registers a shift from an organizational model which is predominantly urban (*cultural quarter or neighbourhood*), towards a regional one, usually described by the archetype of the "advanced industrial district". This new regional model relies extensively on a wide offer of networked spaces and actors and on great events (e.g. Capital of Culture and Expos) encouraging the recovery of the most remarkable parts of the historical cities as spaces for the cultural and creative industries.

The paper investigates these architectural transformations through the experience of Cagliari City as ECoC 2019's finalist and Italian Capital of Culture 2015. We analyse the spatial and cultural policies adopted by the local authority to take part in these programs questioning how new uses and events related to cultural and creative industries have influenced/are influencing local policies for the historic urban landscape.

Keywords: cultural and creative industries, historic urban landscape, Italian Capitals of Culture

## Introduction

Since 2000 the rise of emerging countries, the turbulence of financial markets and the diffusion of ICTs have fundamentally modified the working field of cultural and creative industries. More and more often they establish relations both on the short and long range using remote communication tools, flexible contractual arrangements, and temporary locations. As a result, cultural and spatial planning registers a shift from an organizational model which is predominantly urban (*cultural quarter, neighbourhood, or precinct*), towards a regional one, usually described by the archetype of the "advanced industrial district" (*cultural industry district, advanced cultural district, creative district*) (Comunian et al. 2014; Girard et al. 2016; Hutton 2016; Stevenson 2014).

The advanced industrial district relies extensively on a wide offer of networked spaces and actors and on great events (e.g. Olympic games, Capitals of Culture and Expos). Thus, it encourages the recovery of the most remarkable architectures and places of the historical cities as *think-tanks*, R&D centres for local firms (design-oriented accelerators), platforms for lifelong learning and professional training, creative and arts

studios, commercial spaces dedicated to handcraft and certified products. (Montella 2015; Nuccio and Ponzini 2016; Ponzini 2016; Roodhouse 2010; Stevenson 2014; Usai 2016).

The paper investigates these architectural transformations analysing the spatial and cultural policies adopted by local authorities to take part in national and international programs. The aim is to outline how new uses and great events related to cultural and creative industries have influenced/are influencing local policies for the historic urban landscape. To this end, the study focuses on the experience of Cagliari City, a city excluded from the competition for the European Capital of Culture 2019 but proved successful in its cultural and creative offer and, for this reason, appointed by the national government as Italian Capital of Culture 2015.

The paper is structured as follows. The first session presents a literature review on organisational models of cultural and creative industries, which represents the broad context for our research. It investigates the role of cultural and creative networks and hallmark events in the redefinition of cultural and spatial policies for the historical urban landscape. The second session presents the methodological aspects, including research questions and case studies selection. The third part consists of a comparative and qualitative analysis of case study policies and projects according to themes and concepts developed in the first session. Finally, we reflect on findings and their implications for further research agenda.

## **1. The organisational models of cultural and creative industries and their links with the urban landscape: an overview**

In the contemporary literature, there are different approaches towards the organizational models adopted by cultural and creative industries to establish links with the hosting cities and regions.

In countries where institutions and public organisations show a dual attitude towards cultural and creative industries (considered, a new element of welfare and, at the same time, an economic sector to develop), cultural and creative networks/clusters are analyzed according to the purpose of their interventions. This approach puts in contrast the clusters and networks, which support social inclusion with those supporting entrepreneurship (social purpose vs. economic purpose). It investigates the conflicts and the frictions between the respective groups of interest (citizens and entrepreneurs) and how they influence the interventions of urban requalification in a direction or another one. This approach is common in the Anglo-Saxon world (United Kingdom, Australia, United States) and in China, however its spatial effects are more evident in Canada, in the United States and in Asia as well, for emulation (Stevenson, 2014).

In Canada, France, Belgium and, for some aspects, even in Australia, cultural and creative networks/clusters are commonly investigated on the base of the *top-down* or *bottom-up* nature of their projects while, in post-colonial or post-communist countries (Australia, South Korea, Hong Kong, Singapore, and Baltic Republics), cultural and creative networks/clusters are often studied considering the adherence of interventions to the local communities' culture (Mercer 2008; Rozentale and Lavagna 2015). In this case, the studies on cultural and creative industries focus on: the ideologies and the narratives that permeate the policies destined to/produced by cultural and creative networks/clusters; their relations with the pre-existing cultural and creative systems; their social impacts for local communities. Usually, these studies operate the following distinction: 1) initiatives that do not take local identity into consideration and obstacle the construction of spaces of dialogue, following the project deliberated by the commitment (China, South Korea); 2) initiatives that take into account local identity including it in the project *vision* from the beginning through the concentration of goals and interventions (Europe, Canada, Australia) (Girard et al., 2016).

In all countries already mentioned, however, it is possible to perceive a shift from an organizational model pre-eminently urban (cultural precincts, concerning the neighbourhood or the quarter), towards a regional one which involves different types of actors and spaces joint together in a "network of networks". This new model is increasingly analysed and governed through the archetype of the "advanced industrial district" in its

different forms (*cultural industry district, advanced cultural district, creative district*). It is a productive and relational model born from the Italian experience of small and medium enterprises and it is characterized by openness and inclusivity. Despite this, the advanced industrial district presents some important ethical issues like the previous organisational models. For example, the social and spatial conflicts connected to the application of "global" production schemes at the regional and urban scale, as proved by the extensive design of cultural districts in emerging Asian metropolis (Comunian et al. 2014; Girard et al. 2016; Hutton 2016:194-134). Equally meaningful is the admonition coming from Italy where the absence of a clear and transparent policy frameworks for culture and creativity is encouraging the insurgence of "advanced cultural districts" on the whole national territory reducing the effectiveness of spatial and cultural policies at urban level (Montella 2015; Nuccio and Ponzini 2016; Ponzini 2016; Usai 2016). With regard these latter, the aspects most investigated in research on creative and cultural industries are: 1. the location choices of cultural and creative networks/clusters at urban level; 2. the factors of the urban environment which contribute to attract and retain the creative class as well as to cultivate the creative talents of the local community (Comunian et al. 2014; Hutton 2016: 107; Lazzeretti 2012, 2013; Sager 2011). For this reason, the research field is narrowed to the following categories of neo-liberal policies:

1. Competitive bidding: policies for the creation on half-private markets for public services pushing local authorities to compete in the allocation of resources and to improve their organizational management.
2. Economic Incentives: policies supporting the investments of large companies at local level, the creation of (single brand) private business districts and urban free zones, the recovery of urban brown fields, the private management of public spaces in the urban commercial districts.
3. Territorial Marketing: policies supporting the creation of territorial brands according to three groups of potential buyers (residents, companies, tourists).
4. culture-led/creative-led urban regeneration strategies: policies supporting the creation of spaces for cultural consumption and production by the creative class, like the entertainment centres, the artistic neighbourhoods, the gated communities, but also the nightlife and the hallmark events.

In our research we focus on these latter investigating how spatial and cultural policies related to hallmark events have supported/are supporting the recovery of several remarkable architectures and places in the world cities as: think-tanks, R&D centres for local firms (design-oriented accelerators), platforms for lifelong learning and professional training, creative and arts studios, commercial spaces dedicated to handcraft and certified products (Roodhouse 2010; Hutton 2016; Stevenson 2014).

## **2. Cultural and creative industries and hallmark events: the increasingly importance of the historical urban landscape and its built heritage**

The spatial and cultural policies linked to hallmark events (Olympic games, Expos, European Capitals of Culture, etc.) represent an important chance for the host cities to development and / or strengthen the creative and cultural industries at local level. In particular, the hallmark events have relevant consequences in attracting tourists, business headquarters and talented professionals to the host cities. Furthermore, the related projects of urban regeneration represent a great opportunity for territorial marketing, contributing to remove old and negative urban images, as proved by the experience of Glasgow and Bilbao (Comunian and Sacco 2006; Girard et al. 2016; Lee 2015; Sacco 2011);

The hallmark events, however, present also certain risks, which, if overlooked, can lead to the failure of interventions. The most important are the increase of property values and the gentrification or "touristisation" of the urban areas involved in the event (Montgomery 2003; Peck 2012; Martí-Costa and Pradel I Miquel 2011).

Considering the regeneration projects, the main issue is that culture and creativity are often treated as a tool for instant public attention, rather than as a significant sector for urban economy with development potential

(Girard et al. 2016; Lee 2015; Peck 2012). They tend to reproduce the same image in all the host cities resulting in 'placelessness', as pointed out by Garcia (2004) for the European Capitals of Culture.

Therefore, an harmonious and sustainable development of cultural and creative networks/clusters in hallmark events is possible only if the related public policies have, on the right, a stable and direct link with the local communities (their culture and identity), on the left, a long-term urban strategy of reference (Corò and Della Torre 2007; Murdoch et al. 2016; Ponzini 2016; Rushton 2015; Sacco and Pedrini 2003). In this sense, the hallmark events are an interesting experiment in the "diplomacy of culture" with new forms of politics and policies by the host cities. These latter are pushed to generate new strategic frameworks of regional dimension (no more districts and neighbourhoods), with a national meaning (coordination of the competition by the central government) and international connections (comparisons with the world cities that have already hosted the event) (Hugoson 2016; Stevenson 2014).

In perspective, the historical urban landscape and its built heritage are important elements for the cultural and spatial policies of the hallmarks events for three main reasons. The first, related to ethical factors, is the visual identity of the historical places that facilitates the link between the activities of cultural and creative clusters / networks and the local communities (culture and history). The second reason has a practical nature and is the availability of brownfield and dismissed buildings following the de-industrialization process, which involved the Western cities (e.g. military bases). The third, always pragmatic, regards the tourist appeal of the historic city that helps to attract creative talent from other cities and countries (Girard et al. 2016; Legner 2010).

### **3. Cultural and creative industries and hallmark events: the European Capitals of Culture (ECoCs) and their link with the historical urban landscape**

For the winning city the title of European Capital of Culture means the construction of an integrated strategy consisting of spatial and cultural policies of various durations (short / medium / long term), targeted on the "territorial capital" - as defined by Camagni (2008) - with the involvement of citizens and stakeholders in all processes. The organizational and territorial effort is similar to that required for other hallmark events, like the Olympic games and the Expos, and it is for this reason that the ECoC title entered quickly in the list (Argano and Iasevoli, 2014).

The program was established in 1985 with the aim to draw attention on Europe's cities and their role in promoting European cultural diversity and plurality. At first, the winning cities were awarded as European City of Culture but since 1999 it has been change in European Capital of Culture (ECoC). In the same year, the program becomes an "action" of the Community framework which also involves the European Parliament. Until 2004 the winning cities were designated directly by the governments of Member States. The Decision no. 1622/2006 / EC of the European Parliament and the Decision of the European Council dated 24 October 2006, have laid down for the 2007/2019 period a new selection procedure. The ECoC title is assigned at two EU's cities per year. The cities must be located in two different State members, defined by the EU on a rotation basis. The cities are selected through a national competition managed by the appointed State. For the period 2020/2033, new rules are expected (Argano and Iasevoli, 2014).

The first editions ECoC have a more celebratory character by offering a wide program of events, while between the 1990 and 2000 the ECoCs' strategies are concentrated on urban regeneration. From 2010 up to. From 2010 to now, the proposals' focus is on social regeneration. The ECoCs' bid books work dynamically on the theme of memory re-connecting the ancient and contemporary city to the future one. The attempt is to overcome the boundaries of pure conservation and the effect of "placelessness" emerged in the past ECoC's strategies of urban regeneration and territorial marketing (Argano and Iasevoli 2014; Bullen 2013; Comiunian and Sacco 2006; Connolly 2013; Garcia 2004; Griffiths 2006; Ponzini 2016; Sacco and Blessi 2007; Sbeti 2014; Stevenson 2014).



The first studies on the bid books for the ECoC 2019 confirm the objectives of social inclusion at the base of the strategies proposed by the Italian and Bulgarian cities in the competition. They indicate, for example, the creation of spaces for young creativity, artistic residencies, research areas and for scientific tourism, enhancement of industrial archaeology sites. A certain attention toward cultural and creative industries, led some cities to imagine the development of creative hubs in neglected or abandoned spaces (such as, for example, the Darsena in Ravenna and the ex male prison in Perugia, in the Italian case). This confirms the link between the historic urban landscape and cultural and creative networks/clusters in spatial and cultural policies for hallmark events (Argano and Iasevoli 2014; Bulgarian Ministry of Culture 2014; Italian Ministry of Culture 2015; Sbeti 2014).

Despite this, the same studies provide mainly aggregate data that do not allow to define the aspects of detail like the historical spaces and architectures recovered, their final “cultural and creative” uses, their connection with the pre-existing cultural and spatial policies, the intervention costs. Aspects that are critical in understanding how new uses and events related to cultural and creative industries have influenced / are influencing local policies for the historic urban landscape.

To this end, we consider the experience of the Italian city of Cagliari, which has taken part in the ECoC 2019's competition not gaining the title (won by the city of Matera) but proved successful in its cultural and creative offer and, for this reason, appointed by the national government as Italian Capitals of Culture 2015. The research field is narrowed to Italy and to Cagliari City because it allow us to evaluate how new uses/events related to cultural and creative industries in spatial and cultural policies designed for a European competition relate to historical urban landscape but, overall, how they change when the same policies are re-adapted for a (similar) hallmark event of national relevance.

#### **4. The recovery of historical urban landscape for creative and cultural industries in the spatial and cultural policies of hallmark events. The experience of Cagliari City, Sardinia (IT).**

##### **The policy framework**

According to the Decision 1622/2006/EC, which established Bulgaria and Italy as the countries of the European Capital of Culture 2019, on the 20th November 2012 the Italian Ministry of Culture has published the call for applications. The procedure took place in two phases: the pre-selection and the final selection. In the pre-selection the participating cities sent their bid books up to the 20th September 2013, according to the form established by the Italian Ministry of Culture. They were then called to expose it physically in the presence of the Jury Evaluation on the 11-15 November 2013. In the same days the jury has named the six finalists. The nominations of Erice, Grosseto and Maremma, and the Sprawl-City of Vallo di Diano were excluded for procedural issues. The cities remained in the race for the pre-selection were: Aosta, Bergamo, Cagliari-Sardinia, Caserta, L'Aquila, Lecce, Mantova, Matera, Palermo, Perugia with the places of Francis of Assisi and Umbria, Pisa, Ravenna, Reggio Calabria, Siena, Syracuse-Southeast, Taranto, Urbino-Marche, Venice and the Northeast. Among these, Cagliari, Lecce, Perugia-Assisi, Ravenna and Siena have been selected as finalists.. For the final selection six cities have delivered an in-depth version of the first bid book (8 September 2014) and they have personally exposed their content to the Jury Evaluation on 15-17 October 2014. On 17 October 2017, the jury awarded Matera with the title of ECoC 2019.

During the ECoC 2019's final selection meeting in Rome, given the quality of the applications, the Italian Ministry of Culture announced the establishment of the "Italian Capital of Culture – ICoC" as an event to support, encourage and enhance the autonomous planning and implementation capacities of the cities Italian in the field of culture and confirmed the attribution of this title for 2015 to the five not-winning finalists, including Cagliari.

The attribution of the ICoC title, in line with the EU action "European Capital of Culture 2007-2019", has the following objectives:

1. stimulate a culture of integrated planning and strategic planning;
2. invite the cities and territories to consider the cultural development as a paradigm of its own economic and of a greater social cohesion progress;
3. enhance the cultural and landscape heritage;
4. improve tourists services;
5. develop cultural and creative industries;
6. promote regeneration processes and urban renewal.

The title of "Italian Capital of Culture" is conferred for one year<sup>1</sup>. The budget assigned to each ICoC 2015, initially of € 200 000, has been later increased to € 1 million by decision of the Ministry of Culture. For 2016 and 2017, it has been awarded to the city of Mantua and Pistoia. Currently, it is under way the selection for the ICoC 2018. The candidate cities are twenty-one in total.

### **Cagliari City as a ECoC 2019's finalist: the recovery of historical urban landscape for creative and cultural industries in the spatial and cultural policies of the hallmark event**

Lags behind other cities, the Cagliari's nomination file contains spatial and cultural policies aimed at the redefinition of the urban and regional image: from well-known destinations of seaside tourism to hubs of culture and innovation.

These policies are parts of a global strategy of urban regeneration carried out by the Municipality, despite the negative economic data and the falling tourist numbers in last year. (Zara and Cao, 2015).

The strategy is based, on the one hand, on the Cultural Policies Municipal Plan, which contains all the interventions in the arts and cultural heritage field. Main interventions concern the creation of new cultural infrastructures with major expenses for the Municipality, which has risen above the 20% the share devoted to the culture in its annual budget (Comune di Cagliari, 2014)

On the other hand, the strategy is based on the spatial policies included in the Inter-municipal Strategic Plan for the Area Vasta of Cagliari and the three-year Public Works Plan. The former introduces a unitary vision for sustainable mobility in the metropolitan area of Cagliari through a main light-rail service and park-and-ride facilities (Comune di Cagliari, 2014). The second is a plan for a value of € 348 millions with different lines of action:

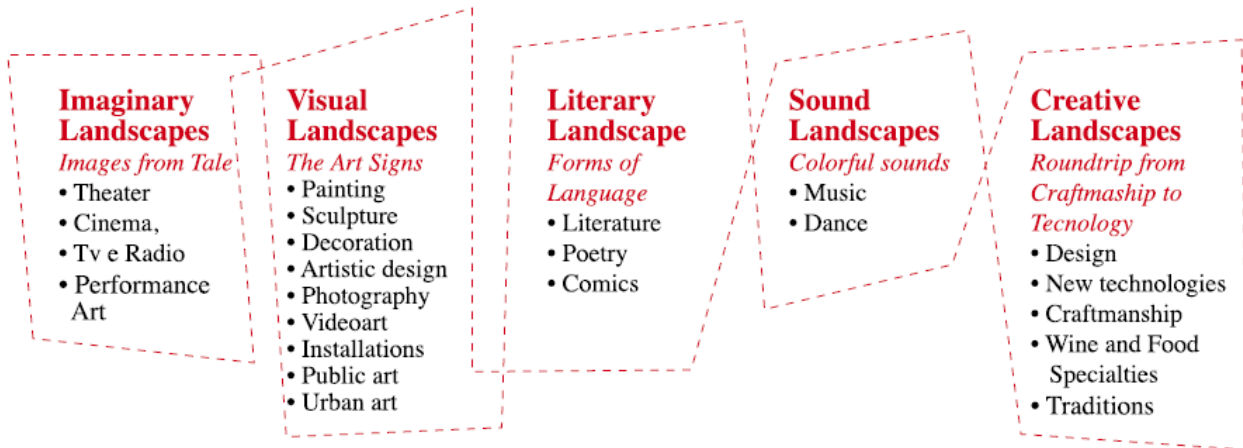
- urban regeneration;
- renovation of some neighbourhoods, which have so far been perceived as marginal;
- enhancement of the historic centre;
- realization of a polycentric city by connecting previously unconnected parts of the urban fabric,
- in order to establish a positive relation between centre and "periphery";
- great attention to the quality of urban life.

The link between cultural and creative industries and cultural policies in relation to the historical urban landscape emerges overall in the definition of the locations for the events and activities scheduled in the bid book, structured according to five different themes illustrated as "Cultural Landscapes" (see Figure1).

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<sup>1</sup> The selection and appointment of the ICoC are ruled through the following acts: L.D.83/2014, converted into the L.106/2014; Decrees of the Ministry of Culture dated 12 December 2014 and 16 February 2016; Decrees of the President of the Council of Ministers dated 26 February 2016.

Figure 1 – Cagliari as a ECoC 2019’s finalist: cultural events and activities scheduled in the bid book



Source: Comune di Cagliari (2014).

The use of historical places and architectures as sceneries or incubators for the programmed events/activities are particularly evident in the case of the European Culture Home (EuCHo), i.e. annual artistic residences or workshops hosted in parts of the city identified on the basis of its geographical, urban, structural, social and cultural characteristic features. From the bid-book: “a house – or rather ‘workshop’ – of residence of a previously identified Cultural Landscape. Therefore there will be the EuCHo of Literary Landscapes, that of Visual Landscapes, as well for Imaginary, Sound, Urban and Creative Landscapes. In each EuCHo there are, in open and closed spaces, exhibition facilities, areas of creation, *forum* for discussion, accommodation facilities, and also a city’s hub and a place for business incubators” (Comune di Cagliari, 2014: 32).

For each of the five "Cultural Landscapes" the bid book identifies with precision the urban areas involved and, in general, they coincide with: the four quarters of the historic city centre (Castello, Marina, Stampace, Villanova), the urban seafront and the S.Elia quarter with its sports facilities and its sites of industrial archaeology.

This brings to mind the link between cultural and creative industries and spatial policies in relation to the historical urban landscape. In the bid book it becomes more evident precisely in the description of urban redevelopment linked to cultural policies enclosed in the six "Cultural Landscapes", distinguishing between actions widespread and punctual. The first group includes the extensive redevelopment of public spaces (Comune di Cagliari, 2014: 62-63):

- Renovation programme for the historic centre: the commercial streets (via Alghero, via Garibaldi, via Manno, Largo Carlo Felice, Corso Vittorio Emanuele, via Angioy, via Sassari and surrounding areas, Viale Buoncammino), the urban seaside and the historical quarters (Castello, Marina, Stampace, Villanova) will be repaved with the renewal of the underground services and the removal of architectural barriers;
- Renovation and enhancement of the historic port and the urban seaside (from Giorgino to Su siccu);
- Requalification of the public squares (piazza San Michele, piazza delle Aquile in Pirri, piazza Garibaldi, piazza Gramsci);
- Renovation and enlargement of existing municipal sports facilities through a specific and inclusive plan (Via Rockefeller Sports Centre; Via Abruzzi swimming pool; Sant’Elia Stadium);

- Renovation and enhancement of the Sant’Elia quarter (realisation of an esplanade and recovery of the Nervi’s salt Pavillon - an industrial archaeology site, the navigable channel outlet leading to Molentargius pond, the small fishing port, a greenery plan, the completion of Sant’Elia Arena for Events).

The second category includes, instead, the architectural interventions on existing cultural infrastructures in need of additions / upgrades (Mediterranean Multimedia Library, Lyric Theatre, Music Park, Gaetano Cima's school) and on the following monuments, buildings and sites of cultural and historical significance (Comune di Cagliari, 2014: 63):

- Renovation of some municipally-owned historic buildings (Palazzo Accardo, Palazzo Caide, Palazzina di via Maddalena).
- Enhancement of the Roman amphitheatre, re-opening of the covered walkway on the Bastion of St. Remy and Hypogeum of Santa Caterina, and Teatro Civico di Castello.
- Enhancement of the walled town, with the implementation of the Urban Park in via del Cammino Nuovo.
- Restoration of the following monuments: Grotta della Vipera, Castello San Michele, Sant’Avendrace and Sant’Efsio, Villa di Tigellio, Torre dell’Elefante).
- Completion of Tuvixeddu archaeological park.
- Expansion of the Municipal Art Gallery devoted to services.

The recovery of public spaces in the historic urban landscape of Cagliari is thought to host temporary events that have a diffuse character, while the recovery of the historic buildings is intended for their use as art exhibition facilities, conferences and workshops, accommodation facilities (artistic residences), business incubators. Especially if they are used as EuCHos. By analyzing the budget for the pre-selection of the six finalists of ECoC 2019, Cagliari with its € 284 million is the first for the investment in urban regeneration, among other things with a good part of the declared initiatives already on site or with the procurement procedures already started. Other finalists allocate smaller amounts to this section of the budget (see Figure 1).

**Table 2 – Budget of the six ECoC2019’s finalists: spending on urban regeneration (in millions of euro)**

<b>ECoC 2019 finalist</b>	<b>Total amount</b>	<b>Spending on urban regeneration</b>	<b>(%)</b>
Cagliari	457,815	284,215	62,1%
Ravenna	440,000 %	164,800	37,5
Perugia-Assisi	125,140	34,413	27,5%
Lecce	262,467	52,507	20,0%
Matera	649,850	31,000	4,8%
Siena	1.096,508	22,049	2,0%

Source: our elaboration on Argano and Iasevoli (2014).

The candidacy of Cagliari to ECoC 2019 clearly relies on the spatial policies of urban renewal already implemented by the Municipality to give form and substance to the cultural ones, which are, however, autonomous and independent. In other words, urban regeneration supports the cultural policy without being the justification for it, so that in the bid book the venue of some events is not yet indicated or confirmed.

### Cagliari City as an Italian Capital of Culture 2015: the recovery of historical urban landscape for creative and cultural industries in the spatial and cultural policies of the hallmark event

The title of Italian Capital of Culture in 2015 awarded by the Italian Ministry of Culture to the five not-winning finalist of the ECoC 2019's competition, is coincided with a prize of € 200,000 for each city, after increased to € 1 million. As seen above, the candidacy of Cagliari to ECoC 2019 provided only for the spatial policies of urban regeneration an expenditure of € 284 million. The Strategy for ICoC 2015 therefore propose some of the interventions of the ECoC 2019's bid book but on a minor scale. The absence of a dossier similar to the ECoC 2019's bid book, makes it difficult to understand which policies have been sacrificed in this adjustment, however, the measures implemented so far illustrated in Table 2, allow to make some early reflections.

**Table 2 – Projects and events implemented in Cagliari under the program Italian Capital of Culture 2015**

Project	Events
<i>Cagliari Sounds</i>	<ul style="list-style-type: none"> <li>- Cagliari suona a Natale (Series of musical sessions in the open spaces of the town)</li> <li>- <i>Poetry Soundtrack</i> (Music session by Luis Bacalov)</li> <li>- Il Lirico torna al Civico (theatre festival)</li> <li>- Festa europea della Musica (Musical events in the open spaces of the town)</li> </ul>
<i>Public Art for Children</i>	<ul style="list-style-type: none"> <li>- La terra dei lombrichi (theatre show)</li> <li>- Itinerant puppet construction workshop</li> </ul>
<i>Space Is the Place Projects of Public Art</i>	<ul style="list-style-type: none"> <li>- 100 fuochi (installation of art luminaries)</li> <li>- <i>Still life</i> (theatre show)</li> <li>- <i>The Cave</i> (multimedia art installation)</li> <li>- <i>A close up story</i> (photographic exhibition on the Buoncammino Prison)</li> <li>- Un uomo del Sud. Tra due mondi (art exhibition)</li> <li>- <i>Hit parade</i> (artistic performance)</li> <li>- Pasoliniana Pasoliniana (itinerant artistic performance dedicated to Pier Paolo Pasolini)</li> <li>- <i>TITLE. Passavamo sulla Storia Leggeri</i> (5-day film exhibition)</li> <li>- <i>Champs Armonique</i> (artistic performance)</li> <li>- Balconi in musica per Sant'Anna (concert from the house of Luciano Bonino)</li> <li>- <i>Roof in Concert</i> - (concerts on the roofs of private houses)</li> <li>- <i>[X] No, non distruggeremo la casa di ...</i> (interactive choreographic device)</li> <li>- Strettamente Confidenziale (artistic installation)</li> <li>- Spola, ago e mappa (textile art workshop)</li> <li>- <i>Tellas</i> (wall art)</li> <li>- I sotterranei del suono - <i>Signe Lidén</i> (artistic installations and performances)</li> <li>- Vivo invisibile (artistic performance)</li> <li>- <i>The Golden Age</i> (series of meetings-workshops)</li> <li>- La bellezza ti stupirà, (fashion show / Urban Performance)</li> <li>- <i>Seed Journey! Future Farmers</i> (public workshops related to bakery)</li> <li>- <i>Mike Cooper - Artist in Residence</i></li> <li>- La Galleria Diffusa: Fai la spesa con arte! (exhibition at the market of via Quirra).</li> </ul>
<i>Great expositions</i>	<ul style="list-style-type: none"> <li>- EURASIA, fino alle soglie della storia</li> <li>- Il di/segno del cinema</li> <li>- <i>Sa ghera</i> 1915/1918. Memoria della Grande Guerra</li> <li>- Sotto il segno del contemporaneo</li> </ul>
<i>Project in network</i>	<ul style="list-style-type: none"> <li>- Monumenti di pace (routes and reading literature on the topic War / Peace).</li> <li>- Pensare l'Europa (project of intercultural philosophical practices)</li> <li>- Cagliari, città anche delle bambine e dei bambini (laboratory for schools to write and design a city suitable for children)</li> <li>- Terra Mobile (cultural resilience practices related to "productions from the earth" in urban gardens)</li> <li>- Nodi (multidisciplinary artistic paths in the urban fabric)</li> </ul>

	<ul style="list-style-type: none"> <li>- La città del sale - Cagliari Performing Art Festival</li> <li>- Thalassaki (project of urban art to revive the alliance between Cagliari and the Mediterranean)</li> <li>- Quando buttavano a mare i tram (reading of the work of the writer Atzeni through different artistic forms in the spaces of the city)</li> </ul>
<i>Cagliari Meeting (segue)</i>	<ul style="list-style-type: none"> <li>- Cagliari incontra Maria Papadimitriou (meeting with the artist)</li> <li>- Contesti e progetti sonori (<i>workshop</i>)</li> <li>- Il Conservatorio incontra Luis Bacalov (composer)</li> <li>- Trame (<i>talk</i> with the artists of the project "La Bellezza ti stupirà" and "Ago, spola, Mappa")</li> <li>- Il disegno e gli effetti speciali (<i>workshop</i>)</li> </ul>

Source: our elaboration on: [www.cagliari2015.eu](http://www.cagliari2015.eu).

The link between cultural and creative industries and cultural policies in relation to the historic urban landscape seems to be confirmed for the activities/events related to fine arts (theatre, performance art, painting, sculpture, photography, etc.), public art (public art, urban art) and to cultural production (cinema, TV and Radio). To be sacrificed were the ECoC's "Creative Landscapes" with the creative industries of design and new technologies.

Events and cultural activities in ICoC 2015 program have found home in cultural infrastructures already present in the city (e.g. Opera House), defined as EuCHos in ECoC 2019's bid book and renamed "cultural sites" for ICoC 2015. These infrastructures are frequently coincided with those monuments, historic buildings and sites mentioned in the ECoC 2019's bid book and to be subjected to restoration / recovery based on the spatial policies outlined therein. Nevertheless, the available documentation does not establish which of these architectural interventions have been brought forward and above all, if this was done with the ICoC 2015's funds.

Clear and conspicuous is instead the change of image of the city in 2015 thanks to the spatial policies for the historic centre and the city seafront in the Inter-municipal Strategic Plan for the Area Vasta of Cagliari and in the three-year Public Works Plan (see Figure 2 and Figure 3).

Interventions for which the candidature for ECoC 2019 was the catalyst shortening implementation times, but without changing the content or the design approach.

**Figure 2 – Corso Vittorio Emanuele, a commercial street in the historic centre before and after the ICoC 2015**



Source: Google Street View (2015) and our own picture (2016)

Figure 3 – The urban seaside of Su Siccu before and after the ICoC 2015



Source: Google Street View (2008) and our own picture (2016)

## Conclusion

The ECoC 2019 and ICoC 2015 has represented an important chance of “image re-styling” for the City of Cagliari. The Municipality has used these hallmark events to support and fastener its local spatial and cultural policies of urban regeneration and several components of the historical urban landscape has been recovered or enhanced to host events/activities linked to cultural and creative industries. Despite this, the two events have affected local cultural policy mainly in the sector of fine arts while they have a low impact on local networks/clusters of IT, R&D, scientific research. These latter are often asked to host activities or events in their own locations but rarely have incentives to move/settle in the historic urban landscape with the redevelopment of remarkable buildings for this purpose.

In addition, the presence of a clear and well-established strategy for spatial policies, has meant that the two events functioned only as “support” or “complement” to the on-going actions, which have continued even after the re-modulation of the budget at € 1 million.

The ECoC 2019 and ICoC 2015 experiences have rather changed the implementation of these interventions through participatory processes that have increased the level of awareness and the critical spirit of citizens in relation to the design choices of the municipality, especially for the public spaces of the historic city. This has led to an accumulation of practices and knowledge that prompted the city to compete for the title of European City of Sport 2017.

The Cagliari experience confirms that the involvement of the local community and the presence of strategic frameworks for the local spatial and cultural policies, are the key elements for an effective recovery of the historic urban landscape in relation to the creative and cultural industries within great events. The same factors are a crucial point to make sure that the physical redevelopment of hallmark events bind to the social and economic regeneration of local communities preventing the ‘placelessness’ experienced by the past ECoCs.

The results of our research on Cagliari are still partial and need to be necessarily integrated with a comparative analysis of other candidates submitted under the ECoC 2019's competition and the event ICoC for 2015 and the following years. The latest aspect, in particular, offers interesting prospective for future research agenda as it would allow a better understanding on the adaption process of the spatial and cultural policies for cultural and creative industries when the hallmark events are re-proposed at the national and sub-regional scale, an aspect still underestimated in the contemporary literature.

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## **The creation of the urban culture – an analyze of actions and interventions undertaken by the metropolitan district groups in Warsaw**

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### **Abstract**

The interventions undertaken by metropolitan district groups in Warsaw are an example of the urban culture creation and the civic participation. On one hand, these “NGOs” are initiating changes and are looking for solutions to the contemporary urban problems; on the other hand, they are contributing to the place identity in addition to taking care of preservation of historical and cultural. Moreover, they are creating the future urban culture.

In Warsaw we can observe a development of metropolitan district groups, but they are non-formal, and based on the particular active inhabitants more than on the networks or urban movements. The local leaders are active in their districts and define their mission as action in, with, and for the well-being of their living place and a promotion of local history. The interventions are political, but in the ancient Greek’s sense. The urban culture means the neighborhood relations and district identity.

Keywords: city, inhabitants, urban activism, Warsaw

### **Introduction**

In recent years, there has been a rediscovery of the city as a concept in humanities (urban studies, urban anthropology etc.) and as a natural human environment. The researchers connected with the Chicago School from the 1920s and 1930s have seen “city” as an ecological riches, microenvironments’. In 1950s. more important role in understanding urban process was played by community, family and kinship, in general social relations. About 1980s academics focused on the structural forces, architecture and power - knowledge relations that are shaping the urban experience. Another paradigmatic change was in understanding “city” as a text, representation, and discursive speech. Aside from historical overview, “urban” could be metaphor, image or opposite. Mentioning only a view examples: city as an organism, as a male public space, ethnic city, divided city, Garden city, (post)industrial city, global city, symbolic control, informational city, modernist, utopian city, sacred city, city-village opposition (Low, 1996). The variety of social constructs and ideas about city is of course much more fruitful.

Since 2011, I have been following the development of the city movements and protests around the world. I was monitoring culture, urban interventions, and social engagement of cities’ residents. What was really of great interest to me was urban nature, city identity, and the idea of physical space occupation as a way of regaining political power (for example the Occupy Wall Street, Los Indignados Movement).

I have been developing the studies in my doctoral thesis titled “My district, our city. The socio-cultural practices of Warsaw’s NGOs”. The main goal of the research was to construct a map of groups that are active in their districts. Moreover, I would have liked to contribute to the theoretical understandings of both fields: that of public pedagogy as well as cultural work in the field of urban space.

I would like to analyze the interventions undertaken by metropolitan district groups in Warsaw as an example of the urban culture creation and the civic participation.

Moreover, my main aim is to find an answer for the following questions:

- What does “urban culture” mean in case of district group?
- Who are “the active inhabitants”?
- What kind of action is undertaken by metropolitan district groups?

## **1. Methodology of the research**

I have conducted my research in the constructivist paradigm, with the grounded theory as the research design. According to Kathy Charmaz, the grounded theory is a way to discover studied reality and the method of building the theory needed to understand them (2013). I used ethnographic, non-standardised interviews as a research method (Gudkova, 2012) with the local leaders who are active in their districts and define their mission as action in, with, and for the well-being of their living place and a promotion of local history.

I have started my “district research” with searching for the potential, formal organizations. In Polish NGO system, two main models can be distinguished. The first one is association (the so-called ordinary, and registered), and the second - foundation. I have already known some of the organizations from my previous experiences. Moreover, I have realized that some of them have a pronoun “my” or “our” in the name, as well as the name of district or sub-district. Finally, I have conducted twenty nine interviews, transcriptions and coding in the Atlas.ti computer program.

The criterion for selection of participants was their commitment to the district, the current activity and wishes to talk to me. As Manuel Castells writes, social movements are responsible for social change, but “the actual practices through which social movements arise and change institutions, and in the end the whole social structure, are carried out by individuals: people with bodies and minds” (2013). One of my respondent said that she fulfills herself in action. Even if I am writing about groups, the feature, which causes the change is the individual sense of agency and particular involvement of the residents.

## **2. The urban culture**

According to Clifford Geertz, culture is a public expression of human behavior, which is seen as symbolic action. “Though ideational, it does not exist in someone's head; though unphysical, it is not an occult entity” (1973). Geertz’s symbolic interactionism is a perfect concept to understand an urban culture. In my paper, I am defying the urban culture as the neighborhood relations and district identity. One leader of a district group defines her role as an empowerment and support to “exist in a community”. What does “exist in a community” mean? It means being an individual, who live in a group of people, with whom has the interactions that lead to other events, actions, and processes.

Moreover, I agree with Setha M. Low who does not agree for the essentialism of the city, but point out “social relations, symbols, and political, economies manifest in the city, and a way of seeing the “urban” as a process rather than as a type or category. The “city” is “not a reification but the focus of cultural and sociopolitical manifestations of urban lives and everyday practices” (1996).

Talking about “everyday practices” is needed to mentions about Michel De Certeau who suggests to do research in the micro scale for example analyzing the walking as a way of knowing and interpretation of the city, as a practical realization of a city (2011). That is the reason why I will rather focus on a district as a practical and micro realization of a city and culture.

## **3. The Polish city background**

There are a number of reasons, which have influenced my choice of Warsaw city (Poland) as the subject of the research. Firstly, as a metropolitan city and the capital it has an enormous economical, political, cultural, and civil potential. Secondly, it is a centre of the majority of the national and international events. Thirdly,

Warsaw city has the largest number of established organizations in the whole country.

At the begging there is no point to deny that Polish society is formed on the rural sentiment rather than on the city live. It is reflected in the attitudes taken towards the cities, life in the city and the formation of urban identity. According to Krzysztof Domaradzki, the urban identity is the phenomenon from the sphere of experience. "It combines views, events, and even the sounds and smells, because the city can be seen in a very different way. If we talk about the identity of the space, we mean primarily the landscape and the physical form of the city, which was created over a long period of time and is a sort of record of its history" (2013).

The recent history of Polish towns can be divided into three stages: spontaneous urbanization of the country in the so-called long-sixties (1956-1979). Then, two decades of crisis. Finally, after 2004, the period of re-growth. Thus, in the material sense "urban revolution" took place in the first stage, but it was not "urbanization of consciousness" (a term of David Harvey), and was associated more with its "ruralization" - taking patterns of rural life - the ideal of suburban mansion (Pobłocki, 2014).

In the Warsaw context, the crucial item seems to be "double novelty" - a novelty of created districts and short time of newcomers' residence. Eighteen districts of Warsaw in its present form is the result of the recent changes that have taken place in 2005. More than half of the population was not born in Warsaw, and most of them live there for the short time, which affects the lack of or small identification with the capital as a living place (Jałowiecki, 2009). In accordance with data from the Polish Public Opinion Research Center (OBOP) from 2015, 51% of Polish people feel connection with the local community and resort of residence. The data from 2009 showed an increase in identification with place of residence, the closest surroundings in comparison with previous years. However, in 2015 there was a significant decline in favor of identifying primarily with region and the whole country ([http://www.cbos.pl/SPISKOM.POL/2015/K\\_165\\_15.PDF](http://www.cbos.pl/SPISKOM.POL/2015/K_165_15.PDF) access 29<sup>th</sup> May 2016). "The Warsaw identity" is also problematic, because of some stereotypes about inhabitants. It is said that in a capital is no more real Varsovians due to the wartime past, Warsaw Uprising, former Jewish ghetto. From the 50ies there was seen a large wave of migration from small towns all around the country, rebuilding a capital after II World War. That is why in Warsaw almost no generation from their forefathers is living in a city.

What is really important in my considerations is housing situation in Poland, and especially in Warsaw. Because of renting apartments, people have a problem with developing a place identity. They are starting to think about their 40 m<sup>2</sup> in a block of flat, their street, district, city when they finally buy an apartment somewhere. It is for them so money-consuming, that they have to invest their time to create a quality space. My interlocutor said that the fact she is renting a flat very affects on not taking part in the process of deciding on the town, which is an inhabitant's right. As she declares "it is possible that if I had to live and know that I live somewhere permanently, it would have been different". As other activists confirm, there is a link between the sense of belonging and connection with the place of residence and engagement for its benefit. But the city in this case must be concrete space, with physical and mental boundaries. The scale of identification could be different from block of flat, street through sub-district to district.

According to Michel Maffesoli, the district is a space, which combines the functionality and emotional appeal. The frame of a district might be determined by the social context, streets, places, or transportation hub. The unique atmosphere of each district is produced by everyday places such as Guard News Stand, square, streets, buildings (2008). Is place making, emotional attachment that help to find the urban identity? The places are saved - marked in the minds of residents, linked in a network of the public space and create a mental image of the city (Domaradzki, 2013).

#### **4. Who is creating the metropolitan district groups in Warsaw?**

The history of social-work has not started in Poland after the communism collapse in 1989. However, the

social changes that brought the time of breakthrough resulted in the formation of the pattern of the Third Sector activities. Social workers complain on one hand about the bureaucratization of actions, institutionalization, obtaining a grant, on the other about lack of professionalization. My respondents – the generation brought up after the communism collapse could be called the second wave of social activists. Some of them, by taking a job in NGOs face the shortage of the system. Although neighborhood or district organizations usually take the form of legal, they use a voluntary or enthusiast forces. It is an appeal to the amateur ethos is particularly important in the context of the animation work. Its funding is limited to membership fees, thus avoiding bureaucratic obligations.

Also because Polish Non Governmental system is settled, it lost the revolutionary potential and solidified after the symbolical, and not only, the fall of the Berlin Wall. The NGO is the West Europe implementation into the Polish ground, but it does not mean that there was not social and political traditions before. However, the new “district uprising” could be a remedy for the ills of the NGO system in Poland.

Although my interlocutors, speaking in the scale of Warsaw, are actually fairly homogeneous group. Xawery Stańczyk used in determining the urban activists of the term “bourgeois identity movements” to show a certain elitism of these activities and their intellectual character (2014). The formation of urban movements confronts us with the question of the shape of democracy. It may be a signal of openness to the power of citizens rather than the rule of the elite. I think a similar process is started to happen in Warsaw, which is why the study of groups established and implemented by initiatives is extremely fascinating intellectual adventure.

I have started my research from the perspective and fascination with the urban movements, but according to my methodological paradigm I had to change my way of perceiving due to the incompatible empirical reality. The main identity's category for my responders was “the active inhabitant” or “the active inhabitants”. That suggests their aversion to the outside categories' like “etic” and using their own terms - “emic”. Undeniably, they are much more strongly connected with their live place than the whole city that is reflected in the quantitative statistics from the OBOP (Polish Public Opinion Research Centre). Not without any meaning is also a fact that they usually used the singular rather than plural. Even if the group identification is important, they are usually personal leaders who conducting the other people. Who could be called “the active inhabitant”? My interlocutors are trying to link the various political and social functions, such as councilor-activist, teacher-owner of historically important house-initiator of action, cafe owner-president of the association, employee of the cultural house-head of the District Committee for Social Dialogue (the symbolical multi-job and multi-identity holding). Their involvement usually takes place outside professional work and family responsibilities. They were born and up-brought in the place where they are now living and acting or they have chosen the place.

So what are the Warsaw groups of the district? The personal story of “active inhabitant” is very often similar. According to my respondent, who said “I became involved in the local activities by accident, because since I finished elementary school, I went to high school. Somehow I snapped my connections, friendships here, and socially I was completely out of this place, even though I lived here all the time, and in general I always liked my district” or they wanted to take matters into their own hands, because they realized that in a group they could do more.

Often, despite having the status of a foundation or association their actions they are similar to the activity of informal groups. No or low budget, basing on personal relationships, direct origin of district. But they are not urban movements, although analogous time (establishment around 2010) could explain a lot. Some activists, especially left wing, familiar with the world's urban movements, they inspire public debate on the topics of urban and understanding of the power in the city. However, my interlocutors avoid the word activist, activist define its role. Usually they are not familiar with the urban discourse. They do not define their actions in terms of urban activism.

The groups are initiating changes in the local environment and are looking for solutions to the contemporary urban issues; on the other hand, they are contributing to the place identity in addition to taking care of preservation of historical and cultural. Moreover, they are creating the future urban culture. Another look into the future is reflected in the orientation of future generations. Extremely important factor for social engagement and participation is having a child. It is a part of up-bringing and role modeling for parents to show to their children.

Among the various projects usually occur actions connected to the struggle for their rights (blocking unfavorable investment like mall or routes), aesthetics (taking care of greenery, removing animal manure, setting the benches), local history (mapping districts, city games) and building, strengthening neighborly bonds (picnics, free shops, the Neighbors' day). The need for aesthetics seems to be a good basis to build social capital. Another important factor is an urban structure of the district, street or block of flat. According to Jan Gehl, an outdoor activity can be divided into three categories: actions required (mandatory; for example walking to work, school, for shopping), optional activities (when there are conditions and the willingness of their implementation, for example walk without obligation), social activities (behavior spontaneous as a result of moving). In accordance with the author's thesis, the public space should provide an opportunity to casual contacts with others, thereby creating a social network. Daily life must be the center of attention, for this to happen it is necessary to meet three requirements to the public sphere: creating the conditions for all three categories of outdoor activity (Gehl 2009).

## **5. The Warsaw's civic participation and political dimension**

According to Kacper Pobłocki, one reason why the city authorities are "sharing" the power with the locals is to maintain the impression that the first group still has a power. As author further notes - not coincidentally the participative tools usually goes back to authority in crisis (2013). The beginning of the new wave of participation in Warsaw was likewise correlated with growing weakness of the officials from the Town hall. Furthermore another important inspiration for my study was an event of referendum on recalling Warsaw's President Hanna Gronkiewicz-Waltz on 13<sup>th</sup> of October 2013. It was an event that exemplifies small change in a way of thinking about authorities by Warsaw's inhabitants.

One of the most common mechanisms of exercise of participatory democracy is participatory budget, which was developed in Brazil in 1989 (<http://www.participatorybudgeting.org/> access 8<sup>th</sup> September 2016). The residents, who are gaining influence on spending, move the focus from infrastructure and strive for powerful investors for social affairs, public transport. All my interlocutors took an active part in the budget for the year 2015 by submitting their projects or by participating in the "advisory bodies".

Warsaw participatory budgeting, consultation and local initiative was introduced after the referendum on the dismissal of Hanna Gronkiewicz-Waltz, but preparatory work had already lasted. Two editions of the participatory budget in the Warsaw's districts form 2015 and 2016 as well as some other tools of civic involvement have played an important role in my research. This is because the idea of social participation is strongly connected with the sense of individual agency which influences the decision making process. The participatory budgeting has become a mechanism to placate, but whether real power? The first draft, prepared in 2015 brought many disappointments. Most of votes were gathered by ideas from cyclists, schools, and libraries. However, changes in infrastructure were boycotted by the Municipal Roads.

An interesting criticism of the participation phenomenon is made by Markus Miessen. He proposes the abolition of innocence participation and promotes conflicting interpretations of participation as a method of action as well as ways to enter the world of politics (2013). "In opposing to the policy of consensus, the critical spatial practice should propose to develop micro political participation in the production of space and draw our attention to how we can contribute to our unfamiliar areas of knowledge, profession and discourse from the point of view of "space". "The civic participation must be specific, not universal. It requires well-

defined goals and intentions. It should refer to a specific audience and, without going into the role of expert, be aware of its context and scale, in which is needed to work. This approach suggests that micro political struggle is likely to be more effective than a simple articulation of the macro political ambition" (Miessen, 2013). Sherry R. Arnstein says: "citizen participation is a categorical term for citizen power". Unfortunately, the participation process stays on the very first of the steps of "a ladder" (1969). In "consultation", people are perceived as a statistical abstraction in terms of how many attend on a meeting, amount of brochures taken home, they are asked for small questions. In "placation", the board allow inhabitants to plan or advise, but "retain for powerholders the right to judge the legitimacy or feasibility of advice" (Arnstein, 1969). Hardly ever in the relations between citizens and authority is seen a "partnership", "delegated" neither power nor citizen control.

Already at the beginning of the research two main trends drew my attention. My responders either strong cut off from politics saying "we are apolitical, far away from the political party" and giving an example "as it appears in politics, people are starting to fight", or being a candidate for district councils by associations and foundation members and supporter. However, basically in one and in the second case the activists embody the idea of politics. As explained by Christian Meier, the ancient Greeks were citizens who were involved in politics, and made of themselves citizens (*polita*), because they devoted a lot of time to the political, which formed their identity. Civic life went on largely in the public sphere" (2013). The political dimension identified with *pólis* meant city-state understood as a community of citizens, approved and established by this community (Meier, 2013). Perhaps it would be better to talk about post-politics or activities that will focus on the current problems of everyday life, not ideas.

An independent council member, and also an activist of one of the association, told me in the form of anecdotes about the changes that have occurred in his district, after a series of actions initiated by the district group. One day he saw an overgrown square and he planned together with neighbors to mow it, but only thought, and the next day the square was cleaned. His interpretation of the event was a fear of party councilors before that the independent councilors could clean an area, and therefore did not increase their support among the other residents. This example proves that active citizens have an impact on the administration of the district. They are becoming even a partners or consultants in the hot issues. In the words of Rafal Górski "in the cities in which it was introduced [participatory democracy], the local administration ceases to govern, and begins to increasingly serve the community. Slowly they are eliminating unnecessary hierarchies and authoritarian structure, and expanded freedom and democratic choice. As a result, the people themselves are beginning to direct the affairs of actually affecting their lives, even if they do not participate in the nationwide elections" (2007).

Writing about the city as a political idea I refer to the title of Krzysztof Nawratek's book. According to the author's expansion of the idea of the city is associated with the development of "a public space in which people live together, consider and decide together about all that concerns their common interests. Therefore, it was the idea of wielding the collective human conditions of their own existence (...) and completely natural political idea" (2008). Krzysztof Nawratek defends the "politicality" of the city. No political parties, no power, but referring to the Greek roots *pólis*, he postulates a return to thinking about the "city" as a political unit, where residents have a real influence on the decisions taken in it. An author considers the problem of modern cities in the disappearance of the political community. The political dimension is an arena of conflict and clash of different views, from which we should not escape, nor be afraid, but these are factors that determining the originality of the city. Tensions are sometimes negotiable and necessitate dialogue between differing parties to the dispute. Placing benches on the street can gain favor, but some inhabitants could also protests against the seating on them by the youth or drinkers. However, the community that lives together, uses resources and space, should manage with itself. It is constituted as a narrative, which in turn is

determined by the boundaries and institutions, because “power is in the form of emptiness / border / institution” (Nawratek, 2008).

## **6. The educational dimensions in the risk society**

The groups, informal organizations, which I research, deal with pedagogy and as its objective is the local education, but also the support of residents in the common actions, animating them. The local education, which usually takes place in the context of non-formal education, can be understood precisely as “informal, unconventional, not only designed for training skills but (...) something that relates to people and their communities. It is the educational project, which is located in the local community”. One of its aims is to improve the methods of social action (Lindeman and Smith, 1951).

According to Henry Giroux radical pedagogy needs a discourse whose starting point is the concept of the public sphere (2010). Education has a direct link with the creation of an alternative public sphere in the fight against class oppression, racial and gendered. In this sense, education is political in nature and occurs outside the institutions and spheres. It represents the collective experience of the issues based on the critical meaning of the everyday oppression providing knowledge and build social relationships. It uses new technologies to promote dialogue and democratic forms of communication. In contrast to school education, such education does not serve the interests of the state, but marginalized groups (Giroux, 2010).

The Ivan Illich’s postulate about “deschooling society” which I strongly support. An author considers an education as “learning networks giving everyone a chance to change at any time in the life time into the time of learning, sharing and mutual concern” (2010). Illich indicates some goals postulated by his educational revolution, such as the release of access to objects with values education, ensure the freedom of teaching and demonstrating, to provide free exchange of skills, the release of creative and critical resources, by allowing individuals the right to organize meetings, provide opportunities to learn from the experience other (2010).

In my opinion, local organizations could create or become just such Ivan Illich’s “education networks”, by providing information on neighborhoods, which expected to grow awareness of citizens and residents would generate the attachment to the place, and *Genius loci*. But Illich is careful in terms of locality, especially in the suburbs. He recognizes the danger of losing the character of a neighborhood policy and reducing essential dimension of urban life, which is to participate in several learning groups.

The local education and the whole learning process is a way of building a relationship between the inhabitants and their living places as well as among the whole community in specific conditions and with different social origin. Actions undertaken by the representatives of district are mainly aimed at improving the living conditions of residents and their quality of live.

## **Conclusion**

My main proposal is that in Warsaw we can observe a development of metropolitan district groups, but they are non-formal, and based on the particular active inhabitants more than on the networks, structures or urban movements. They are defining their action in, with, and for the well-being of their living place and a promotion of local history. The interventions are political, but in the ancient Greek’s sense, as an action for the common good. Building an urban culture is creating the neighborhood relations and district identity in the micro scale. The idea of social participation is strongly connected with the sense of individual agency which influences the decision making process. The participatory budgeting, consultation and local initiative are concrete tools of actions, but they still did not extend using a term of S. R. Arnstein beyond “placation”. An educational dimension of the groups is support of residents in the common actions, integration of the residents, animating them.

“My-district” - the use of pronouns “my” underlines the closeness and commitment to specific space. It also



means the relationship and emotional attitude to this special place. "Our city" also brings an element of cooperation between residents. "Our Town" - is Warsaw. "Our city" finally stresses the right that the residents have to decide on its shape. A dash between "my district" and "our city" is a specific question, or taking care of the neighborhood translates into a sense of agency and commitment to the scale of the city? However, "full-time" urban activists are promoters of manifestations and contestation. The activists define themselves as ordinary residents and are a remedy for the defects and deficiencies of the third sector. Research shows that Poles are increasingly beginning to be interested in the life of their neighborhood, although it is a slow process. "Well, this is: trends such as pro community, networking, trying to support its district, town or other types of communities appear very timidly, mostly among young people" (Fatyga, 2015, pp. 19-21).

My research does not confirm a direct impact on the involvement from the district to the city, but district trading paths need to be tested in a micro scale. Therefore, the scale of the district, area or block is sufficient grounds not to blur activities in the urban conglomerate or utopian visions. The district has clear territorial boundaries, to allow the identification of the space.

The conclusions for the cultural management can be drawn from my previous considerations in terms of knowledge, skills and attitudes, which are required nowadays. As an institutional cultural manager they could support non-formal and non-official civic initiatives with knowledge about participatory tools, group process, and project management. They could support development of district identity and historical studies. Last but not least, they might be a leader of change and a defender of the past, the cause of social relations and motivator to build better small-big worlds.

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# Retrospective analyses, false dichotomies, and stagnation: the need to engage with prospective methods of data collection in UK cultural policy

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## Abstract

On the 30<sup>th</sup> March 2011, the Arts Council England released the details of their new funding initiative. Including the case study for the research presented in this paper, Castlefield Gallery, this marked a significant milestone in many small-scale contemporary visual arts organisations. In May of the same year, Dany Louise commented on how the change in funding strategies had disproportionately cut organisations that “incubate” artists through critical phases in their career (Louise, 2011a: n.pag). These phases require what Sarah Thelwall (2011) termed “unacknowledged” resources, usually “found in small organisations’ accretion of intangible assets” (Thelwall, 2011: 6). Several authors have pinpointed UK policymaker’s use of econometrics as a major factor contributing to the depletion of the small-scale contemporary visual arts sphere (Caust 2003; Louise 2011a, 2011b; Thelwall 2011). As an alternative, this paper recommends the use of prospective mechanisms of evaluation in order to overcome a false dichotomy between artist and audience, render visible crucial moments of critical exchange that help artists avoid stagnation in their practice, and better fund a strong visual arts ecosystem.

Keywords: contemporary visual arts, UK cultural policy, deferred values, artist development, Anglo-liberal capitalism

## Introduction

In United Kingdom (UK) cultural policy, there has been a trend of decreased investment cast against expectations of greater profit. Researchers have documented how the inevitable tensions have impacted the artworld, especially as funding has continued to decline and expectations of profit continued to rise. Jo Caust (2003) interrogated the way that arts policy is judged using quantifiable metrics, based on the expectation of profit outlined in John Pick and Malcom Anderton (1999). “By taking this approach”, states Caust, “the arts sector has arguably been diminished, divided and confused” (2003: 61). Most recently, investigations have turned to how the quantification of *values* has led to disproportionate cuts in the small-scale arts sector. According to Dany Louise, greater capital gain using less financial input “is likely to result in the ‘up and coming’ layer being less likely to ‘up and come’” (Louise, 2011a: n.pag). In essence, small-scale arts organisations are being expected to perform alchemy in times of austerity, and unsurprisingly they are failing. This paper agrees with the underlying notion that the markers of *value* used by the UK government are not effective when evaluating the small-scale contemporary visual arts sphere. However, it breaks with existing literature that, in seeking to provide alternative approaches, have used retrospective mechanisms for capturing these *values*. Instead, this paper argues that prospective methods would be better placed at illustrating the different *values* that are accreted by small-scale contemporary visual arts organisations.

In order to formulate this argument, I first discuss how a policy-paradigm characterised by Anglo-liberal capitalism has encouraged the use of state-led econometrics to evaluate the arts sector, and how this has also created a dichotomy between artist and audience. I do so by using the example of the 2011 funding decisions made by the Arts Council England (ACE). On average, ACE is accountable for 27% of the United

Kingdom's National Portfolio Organisation's (NPO) income. The significance of this income is high and, if withdrawn, can have a major impact on whether the organisation can continue. Established in 1940, today's ACE currently funds over 1,000 projects in the visual arts – as per their own definition of the visual arts – throughout the UK (Arts Council England, 2014). ACE is, in part, funded by the UK Department of Culture Media and Sport (DCMS). DCMS describe ACE as an *arm's-length* organisation that makes decisions independent of government, but one that is “expected to account for those decisions and explain them to Government, Parliament and the general public” (Department of Culture Media, and Sport, n.d.). I also highlight Sarah Thelwall's (2011) understanding of “deferred value” as an outcome of this wider, profit-based framework for the arts. Second, I bring to the fore data collected from a case study of Castlefield Gallery, a small-scale contemporary visual arts organisation working mostly in Greater Manchester, UK. Founded in 1984, Castlefield Gallery, the case study of this paper, was originally an artist-led space established by former students from Manchester School of Art. Throughout their history, Castlefield has been a contemporary visual art organisation and the team originally ran their programme in response to what they felt was absent in the North West; more organisations showcasing the work of newly graduated artists alongside artists of a national and international standing. At the time of my research, this was but one part of Castlefield Gallery's broader remit of *artist development*; a remit that was critically analysed, assessed, and reframed following Castlefield Gallery's institutional crisis which coincided with the funding cuts of 2011. This data illustrates alternative *values* that have had a lasting impact on artists' careers, but are currently not considered by ACE when they evaluate organisations for the purpose of funding allocation. In this section, I aim to highlight that if you remove quantitative assumptions about value, and engage with the data more openly, new *values* start to emerge. I demonstrate how a relationship between artist and audience has been dichotomised by policymakers. I do so using the examples of Audience Finder, a survey recommended to all of its NPOs. I also use the data to illustrate the innate problem of memory loss when using retrospective analysis. Finally, I argue that there are clear benefits to encouraging art institutions to adopt a prospective model of tracing the values of different stakeholders during productive moments of critical exchange between themselves, artists, and audiences. I conclude to state that if ACE wants to fund the arts ecology as a holistic milieu, of which all components are essential to the production of artists and artworks, adopting a new approach to capture non-quantifiable *values* in the context of small-scale contemporary visual arts will help them to do so. This approach would also help small-scale contemporary visual arts organisations to express the extent of their work, and form a critical dialogue around how they contribute to the wider arts ecology.

### **Key terms**

It is important to define several key terms ahead of the discussion. First, I shall outline the features of Anglo-liberal capitalism I deemed central to this paper. Second, I will discuss how I perceive Castlefield Gallery as an institution using constructivist institutionalism. Third, I briefly outline what I consider a small-scale contemporary visual arts organisation to be. Finally, I define *deferred values* using Thelwall's (2011) writing on “deferred value” as a starting point.

I outline five key features of Anglo-liberal capitalism as the main contextual framework for policy-making spheres, as well as the institutional nexus. First, within capitalist rhetoric supply/demand and production/consumption are often considered as categorically separate. When Geoffrey Ingham (2008) identifies the different markets present in capitalism, these binaries are clear. Two of the markets in Ingham's (2008) presentation of the core features of capitalism are relevant in this instance. The first is the “money and money-capital markets by which the supply and demand for finance is coordinated and its price (interest) established” (Ingham, 2008: 54). The second references “two markets involved in production: (i) the market for production goods (means of production); and (ii) the final consumption goods” (Ingham, 2008: 54). Here, in their respective markets, supply and production are considered to be earlier on in the process

of exchange, while demand and consumption towards the end. The second aspect of capitalism I focus on is the way that products accumulate surplus value. In *The Protestant Ethic and the Spirit of Capitalism*, Max Weber (2003: 17) defines capitalism by the “expectation of profit”. “Profit” is taken to mean a product’s accumulation of value, realised financially and in surplus to the production costs. The third feature of capitalism relevant in my reading of the data is that of prioritising *quantifiable* value. Inherently linked to profit, “the important fact is always that a calculation of capital in terms of money is made”, states Weber (Weber, 2003: 18). This is the standard by which the value of all funded ventures are initially measured against unless the case otherwise is made publicly explicit, and this is no different in the case of the visual arts. As stated by Steffen Böhm and Christopher Land:

Within these 'creative communities', or 'creative ecologies' productive activity is conducted according to autonomously determined social values, decided through the on-going and repeated, social interactions of the community members. This renders such relations distinct from both the formal, hierarchical relationships of the employment relationship, and the impersonal, fetishism of the market. Removed from both of capitalism's main structures for evaluating and controlling labour, the work of the artist lies 'beyond value' (Böhm and Land, 2008: 3).

In asserting here how 'productive activity' within artistic practice is 'beyond value', Böhm and Land (2008) reinforce the notion that value within the capitalist system is one exclusively linked to numeric-indices. Finally, debt has become a commonplace feature of Anglo-liberal capitalism, as has the rhetoric and literature around it. Tracing its origins to Renaissance Italy, David Graeber (2011: 364) argues that “modern money is based on government debt”. Whilst debt may not be a definitive or necessary feature of contemporary capitalism in the UK, debt has certainly become synonymous with it. As stated in the introduction, the relationship between Anglo-liberal capitalism and UK cultural policy has had a particular impact on the small-scale contemporary visual arts, and the way theorists have understood the long-term impact of these institutions.

In the research, Castlefield Gallery was understood as an institution in line with the new-institutionalist literature, due to the way it theorises a fluidity between different actors in forming the setting for conduct. For constructivist institutionalism, institutions are seen as cognitive filters and spaces of transformation.

Constructivist institutionalism thus seeks to identify, detail, and interrogate the extent to which—through processes of normalization and institutional-embedding—established ideas become codified, serving as cognitive filters through which actors come to interpret environmental signals. Yet, crucially, they are also concerned with the conditions under which such established cognitive filters and paradigms are contested, challenged, and replaced. Moreover, they see paradigmatic shifts as heralding significant institutional change.

Such a formulation implies a dynamic understanding of the relationship between institutions on the one hand, and the individuals and groups who comprise them (and on whose experience they impinge) on the other. It emphasizes institutional innovation, dynamism, and transformation, as well as the need for a consideration of processes of change over a significant period of time (Hay, 2008: 65).

The “institutional-nexus” forms a mediatory context; translating the conduct of individual actors and the policy sphere across to one another, and forming new contexts through an activation of its own conduct which is responsive to and reciprocal with the conduct of the individual and the policy sphere. This creates unavoidable and ever-shifting relationships between all three actors that were present in my research; artists, Castlefield Gallery, and policymakers. It also asserts that the policy-sphere is shaped by paradigmatic forces. In other words, policy is shaped by normalised ideas and perception that come to govern institutional and individual behaviour through enactment. “What is feasible, legitimate, possible, and desirable”, states Colin Hay (2008: 65), “are shaped both by the institutional environment in which they find themselves and by existing policy paradigms and world-views”. A key determinant of this paradigmatic environment of

contextualisation is that of Anglo-liberal capitalism. The way this particular paradigm has crafted product-based binaries and metrics based on profit and quantifiable outputs has had a major impact on the adoption of retrospective analyses. These often obfuscate the activities of small-scale contemporary visual arts organisations.

I defined small-scale contemporary visual arts organisations in line with Thelwall (2011: 9), who clarifies: “small organisations are defined as having an annual turnover of below £1m and operating on a non-profit basis”. Thelwall (2011) also discusses “deferred value”. “Deferred value” is a framework for understanding how small-scale contemporary visual arts organisations contribute to the wider arts ecosystem. It is also the way that an “object or idea” can be capitalised upon by “larger institutions and the commercial sector” in the long-term (2011: 4). According to Thelwall (2011: 4), this value is characterised by that which “accrues over the lifetime of an object or idea, [...] often capitalised upon by larger institutions and the commercial sector” (Thelwall, 2011: 7). When values are evaluated using econometrics, deferred capitalisation better serves the larger institutions ability to express their wider societal position to policy makers and funders as they are able to demonstrate higher profits than smaller organisations. Consequently, the resultant framework recognises the output of this value chain, but not the efforts of the small visual arts organisation inputting into this system that translates the “intangible” into the numerically tangible over time (Thelwall, 2011: 6). To offer an approach that recognises small visual art organisations’ input into the process of capitalised large-scale exhibitions, Thelwall (2011) recommends establishing “ways of measuring a wider variety of types of value being delivered by small visual arts organisations” (Gordon-Nesbitt, 2012: 7). In this sense, the arts ecosystem needs “approaches that take into consideration the structures in which a substantial proportion of the value created is deferred until later in the life of the work” (Thelwall, 2011: 7).

I instead define deferred values, not “deferred value” (Thelwall, 2011). When I discuss values in this context, deferred or not, I am adopting the definition discussed by the Starting from Values legacy project (Connected Communities, n.d.). In this, they assert that values are the aspirations of multiple different stakeholders in any given project. These vary from person to person, and are often divergent. When I refer to the values that are resultant of an engagement between an artist and an arts organisation and have a lasting impact, I am therefore citing the different aspirations of all the stakeholders in this exchange. To date, these aspirations have been understood retrospectively. Instead, the Starting from Values (n.d.) team argue for a prospective approach to capture the deferred values of an exchange between different stakeholders.

## **1. Methods**

The research for this paper was undertaken as part of a collaborative doctoral award with partners Manchester Metropolitan University and Castlefield Gallery. It used an ethnographic methodology, employing mixed methods including archival, participant observation, semi-structured interviews, archival research, and focus groups. Research participants were the staff and board members at Castlefield Gallery, artists who were part of their curated programme, artists enrolled in their associates scheme, affiliated artists (including attendees at events, internal and external), volunteers, peer organisations, two Relationship Managers from ACE, and a Principal Policy Officer and formerly the Cultural Economy Team Leader at Manchester City Council. The methodological approach unveiled and generated a wealth of data. Sources I used were financial reports from 2005 to 2014; the draft and live business plans for the period 2011-15; 86 emails sent from the CG Associates Development Coordinator to the CG Associates members from 15.01.2014 until 14.10.2015; 38 Castlefield Gallery newsletters from 12.12.2014 until 15.04.2016; 11 grant funding applications made to ACE from 2004 until 2014; 26 application documents submitted to ACE for regular funding (either as a Regularly Funded Organisation or National Portfolio Organisation) from 1999 until 2014; the title pages on Castlefield Gallery’s website; policy documents and funding outcomes produced by Manchester City Council and ACE. I also used field notes taken from 38 different occasions of observation in

the gallery (including one-to-ones held during that time, and off-site meetings with external partners such as Contemporary Visual Arts Manchester), 6 portfolio review sessions, and 4 day-long events held externally to Castlefield Gallery in partnership with other organisations. I also conducted 43 interviews: 2 with policymakers, 6 with Castlefield Gallery staff, 16 with CG Associates, 11 with deferred value artists, and 8 with exhibiting artists.<sup>1</sup> I then used grounded theory as an approach to data analysis, coding and categorising the entirety of the data.

## **2. Context: profit driven trajectories, retrospective analyses, and dichotomisation**

This section's aim is to highlight the broader context in which retrospective analyses have become normalised. I first take ACE's funding decisions of 2011, a key milestone in Castlefield Gallery's institutional history, and assess it in light of the Anglo-liberal capitalist context. Second, I look at how Anglo-liberal capitalism and ACE dichotomise artist and audience, and the ways this has impacted the work of Thelwall (2011). These five features of Anglo-liberal capitalism are embedded in the UK policy-paradigm, and the impact they have had is to encourage retrospective analyses based on the consumption of produced goods. In the case of the contemporary visual arts, this has normalised a relationship between artist, artwork, and audience that has eliminated moments of critical exchanges in the awareness of the policymaking sphere. An example of how state-led prioritisation of profit in the UK has impacted the contemporary visual arts ecosystem can be found in the 2011 funding changes made within ACE.

### **ACE's 2011 shift in funding strategy**

The impact Anglo-liberal capitalism has had on the arts ecosystem has been in the research agenda since at least 1999 when Pick and Anderton (1999) addressed the term "cultural industries". In their tongue-and-cheek manner, Pick and Anderton disagreed with what they perceived to be a historical fallacy circulated by the arts establishment. The narrative they dispute is that the success of lottery funding was "leading the cultural industries in putting our [the British] cultural fabric back in order" (Pick and Anderton, 1999: 2). Witten in the time of New Labour, Pick and Anderton (1999) are clear in their convictions; the state was striving to "submerge artists within the toils of the new 'creative industries'" (Pick & Anderton, 1999, p. 291). Instead, art was being replaced "with any kind of created event or construct deemed by them sufficiently glamorous and profit-making" (Pick and Anderton, 1999: 291). Whilst this may be a fairly scathing review of state-funded arts in the late 90s, there are certain themes in the work of Pick and Anderton (1999) that have lasted. Namely, the political and economic aspirations synonymous with circulating an "industrial" narrative to the arts (Pick and Anderton, 1999: 3).

In 2003, Caust adopts Pick and Anderton's (1999) critique of the phrase "arts industry". According to Caust, the ways in which the effectiveness for policy initiatives in the arts are measured "are generally quantitative in nature and emphasise economic or political outcomes" (Caust, 2003: 60). Both Pick and Anderton (1999) and Caust (2003) suggest that the art establishment's narrative – perpetrated by both policymakers and the "captains of our cultural vessels" (Pick and Anderton, 1999: 2) – has historically hinged upon measurement of success through quantifiable outcomes used to serve a political and economic purpose.

On the 30<sup>th</sup> March 2011, ACE released the details of their new funding initiative for what they described as the "biggest change to arts funding in a generation" (Arts Council England, 2010: n.pag). This marked a significant milestone in the continued operations of many small-scale contemporary visual arts organisations. Previously, ACE had a portfolio of Regularly Funded Organisations (RFOs) who received financial support on an annual basis. In 2011 this changed, and in April 2012 ACE actioned what it called its National Portfolio (Arts Council England 2010; Culture, Media and Sport Committee 2011). Implementation of NPOs resulted in

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<sup>1</sup> CG Associates are members of the Castlefield Gallery Associates scheme, a programme of activities which members pay to have access to. These include talks, one-to-ones with Castlefield Gallery staff, and user-generated activities (Castlefield Gallery, n.d.).

four main changes to ACE's regular funding strategy: 1) there was an open application process for any groups or individual artists; 2) funding would normally be offered for three years; 3) each organisation would have a tailor made agreement; 4) "some larger members of the National Portfolio" would be expected to have "a 'strategic relationship' with the Arts Council, and [...] be expected to help smaller organisations" (Culture, Media and Sport Committee, 2011: 16); and 5) funding allocations within the portfolio also required organisations to demonstrate "governance and financial stability" (Culture, Media and Sport Committee, 2011: 18). On the fourth point, the "larger members" would be "a smaller number of 'strategic' organisations who [...] take responsibility for the development of the arts and demonstrate leadership at a national or local level" (Arts Council England, 2010: n.pag). "Smaller organisations" would instead form the majority of the portfolio, and be expected to "deliver outstanding artistic work in their field" (Arts Council England, 2010: n.pag). Castlefield Gallery, the case study for this research, is considered in the latter category of "smaller organisations". When ACE's funding decisions were made public, the organisations that had not been successful garnered a lot of attention in research. Notably, it appeared that the "larger number of 'programme organisations'" was far smaller than many deemed necessary to sustain new artistic output. The 2011 funding decisions were made based on ACE's (2013) strategic document released in the previous year.<sup>2</sup> *Great Art and Culture for Everyone* (Arts Council England, 2013) outlined five goals which the NPO funding guidance documents refer to extensively. The document outlined how ACE's,ain goals. The first was that "excellence is thriving and celebrated in the arts, museums and libraries"; second, "everyone has the opportunity to experience and to be inspired by the arts, museums and libraries"; third, "the arts, museums and libraries are resilient and environmentally sustainable"; fourth, "the leadership and workforce in the arts, museums and libraries are diverse and appropriately skilled"; and fifth, "every child and young person has the opportunity to experience the richness of the arts, museums and libraries" (Arts Council England, 2013a: 39). For the duration of 2010-2020, these goals provided the "rationale" for ACE's investment, informed "future, funding decisions", brought "clarity and focus" to their work, and rendered visible their strategy to those who work with them (Arts Council England, 2013a: 41).

In terms of financial output in order to achieve these goals, ACE currently has five outgoing funding streams: National Portfolio Organisations (NPOs), Major Partner Museums and the Renaissance Programme, strategic funding, Grants for the Arts, and libraries. Focussing on the visual arts, for 2013/14, ACE (2014: 10-11) reported an investment of £73,613,444 through NPOs, strategic funding – "used to target particular challenges, opportunities or gaps, creating the environment for further development to take place in the arts and culture sector" – and Grants for the Arts. When applying to become an NPO, the guidance clearly outlines that the organisation's work must contribute to the first and second goals detailed above, as well as be financially and organisationally robust (Arts Council England, 2013b: 20).

In May 2011, Louise commented on how the change in funding strategies had disproportionately cut organisations that "incubate" artists through critical phases in their career (Louise, 2011a: n.pag). These phases require what Thelwall (2011) termed "unacknowledged" resources, usually "found in small organisations' accretion of intangible assets" (Thelwall, 2011: 6). Louise expresses the potential impacts of depleting organisations that work with artists at formative stages in their carer. She states:

[...] without artists, the entire arts-based superstructure of activity, discourse, institutions and market starts to break down. [...] Without artists making new work, what is the mission of arts organisations? What would the institutions show? What does the audience experience and how? (Louise, 2011b: n.pag).

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<sup>2</sup> There are two versions of *Great art and Culture for Everyone*. The first was published in 2010, and informed the NPO funding decisions. The second, published in 2013, only differed insofar as it included the insertion of paragraphs addressing their expanded remit for libraries and museums. Even though the dates suggest it was published after the NPO decisions, I reference the latter as there is no difference in the sections that do not explicitly address their expanded remit.



Where Louise (2011a) focussed on the impact funding decisions would have in the following years, Thelwall (2011) sought to analyse the cause for the cuts made to the small-scale contemporary visual arts sector. For Thelwall (2011), critical discussions around the econometrics used by policymakers were central. Thelwall (2011: 6) argues that the state-led application of econometrics, in the context of the small-scale visual arts sphere, overlooks the “intangible assets” offered to artists by small-scale organisations. These include: “individual and organisational expertise and experience, intellectual property, research skills, professional methods and processes” (Thelwall, 2011: 6). According to Thelwall (2011: 6), the “certain outlook on the role of economics” recognised by ACE and the UK government prioritises audience footfall and generated financial income. This sits “at odds” with artistic practices in the UK (Thelwall, 2011: 6). She states:

An implicit understanding of the role and value of small organisations, both in the cultural sector and society as a whole, has long existed among arts professionals, yet it remains at odds with the metrics of government and many funders, whose measures for audience and income development serve to de-emphasise the potential of these organisations (Thelwall, 2011: 6)

As a solution, Thelwall (2011) conceptualises “deferred value” as a way to frame the broader contributions of small-scale contemporary visual arts organisations. However, there is a slight misalignment between Thelwall’s (2011) definition of deferred value – as an input/output process resulting in large-scale capitalised exhibitions – and the desire for a greater recognition of what small visual arts organisations contribute. In making her case for the small-scale contemporary visual arts sector being non-econometrically evaluated, the deferred value *chain* that Thelwall (2011) discusses is inherently quantitative. Thelwall (2011) retrospectively denotes the initial *value* as econometrically viable when she tacitly defines *value* as that which accumulates numerically, and so starts in a quantifiable format. Alongside ACE, this also Thelwall’s application of her understanding of “deferred value” also dichotomises the relationship between artist and audience.

### **Dichotomising artist with audience**

As the defining context for policy paradigms, Anglo-liberal capitalism’s expectation of profit and advancement lends itself to binaries that represent the beginning and end in processes of accumulation. These processes hinge on a product as the vehicle for profit, be it material or immaterial. Production exists insofar as it is intended for consumption, at which point the greatest possible profit is expected, or at least hoped for. When this process is mapped on to the understanding of artist and audience, artist becomes the producer and audience the consumer; they become categorically separated. The contemporary Anglo-liberal model of capitalism also assumes artwork as a singular point of consumption, not as part of a long-term body of work produced by an artist or one potentially producing the artist. As stated by Caust (2003: 61), “equating the making of the art with the selling of art undermines the process of the doing”. Therefore, once the artist has *outputted* the artwork, there is no need for it to return to the artist as it is a singular point of consumption. However, what is to say the artwork’s reception could not feed back into the process of the artist producing future pieces of work?

An example of this is how ACE requires NPOs to complete the Audience Agency survey of 31 questions. In all of these questions, none of them address how the artist engaged with the artwork in a way that is designed to be fed back to the artist; there is no constructive feedback the artist can use to reconsider aspects of their practice. Instead, all of the indicators, ranging from website use to whether visitors are staying overnight as part of their trip, are quantified, transferred into percentages, and compared to other venues in the same geographical region, regardless of comparability. Based on the information I gathered from artists, this has limited uses when fed into an artist’s practice. Audience Finder highlights how “talent development” – as policymakers understanding of institutional activity targeted at artists and not audiences – is considered separate to audience experience. From an analysis of policy documents and interview

transcripts, I have defined *talent development* as the identification of creative practitioners who represent current definitions of *good practice* in their given field, the encouragement of that practice through institutional frameworks, and support throughout periods of risk and uncertainty. Contextualised by Anglo-liberal capitalism, the cultural policy-paradigm has often been characterised by notions of product-based profit and consumption. Overwhelmingly, documents produced by policymakers are geared towards artistic production measured according to output rather than input; the artistic process is one by which the artist produces for audience consumption, and the greater the numerical indicators of this audience consumption the better. In other words, production leads to consumption and profit is the expected outcome. In policymakers understanding of “talent development”, the moment of creative exchange between artist and audience is linear; the artist is a producer, and the audience is a consumer. That is not to say they do not see the value in supporting artists in non-econometric ways, it is instead a question of how they do not encourage a creative exchange between artist and audience; they tend to be seen as categorically separate. This is a trend that continued into Thelwall’s (2011) work on “deferred value”.

Thelwall (2011) relies on several different dichotomisations: input/output, supply/demand, and artist/audience. As a result, the model as she applies it renders invisible non-econometric values present at the start of the process. When Thelwall (2011, p. 11) asks *how can the value created by these organisations be more appropriately articulated, recognised and measured?*, what she is instead asking is how can we retrospectively reward the original work that created numerically viable practices; she approaches the question from the starting point that assumes output *value* as one that is quantifiable later on. By retrospectively applying normative metrics, Thelwall (2011) is historically selecting the “values” that represent these metrics. In establishing deferred value as a linear chain of input and output – where output is expected to achieve a numerically viable profit – other, “intangible values” are potentially lost; values which sit “at odds” (Thelwall, 2011: 6) with the current system of econometrics. Furthermore, by establishing and applying a linear notion of value through an input/output framework when considering artistic practice, the work in this area also creates a dichotomy between artist and audience. In the Anglo-liberal capitalist framework, the process of production and consumption is understood as a linear one – with a focus on the product of the artwork rather than the practitioner. As such, once the artwork leaves the artist the *progression* sees it enter the remit of galleries and audiences. This can also be seen in the way that ACE policy documents discuss talent development.

The Anglo-liberal capitalist model does not make room for the audience to return to the earlier stages of production and contribute to the labour of creating a piece of artwork through feedback and ideas; to include audience-as-producer would undermine the model of consumption that Anglo-liberal capitalism is founded on. Thelwall’s (2011) retrospective methods of analysing this *value chain* reaffirms this process. The data presented below illustrates counter-cases to this model. These examples show how there are non-quantifiable values that have a lasting impact on an artist’s career, and also that the dichotomy between artist and audience is false; the audience can play a role in the stage of production.

### 3. Findings

#### Artist development offerings

By coding and categorising the data, I found that the values that artists recalled from their time at Castlefield Gallery all hinged on preventing their practice from stagnating. I found that institutionalised *artist development* at Castlefield Gallery assisted artists in avoiding periods of stagnation by making the multiple channels of possibility going forward available to them. This was achieved either through nurturing an environment, skills and knowledge (including professional development), showcasing opportunities, resources that feed a practical output (such as space, funding, opening up new avenues in the work, or emotional support), or a combination of all four. In order to access artist development in the institutional

setting, artists engaged in a range of activities I termed *artist development offerings*. Table 1 shows the different categories and subcategories of these offerings.

**Table 1 – Categories and sub-categories of artist development offerings at Castlefield Gallery**

Nurturing an environment in which artist development can occur	Skills and knowledge opportunities	Resources that feed a practical output	Showcasing opportunities
Internally	Non-formal learning <sup>3</sup> (group)	Physical space	Platforming
	Non-formal learning (1-1)	Direct tangible resources	Hosting
Externally, in the wider arts ecology	Experiential learning	Emotional resources	Networking
	Formal learning (group)	Opening up new avenues in the artwork	Brokerage

Within these categories and sub-categories, I identified 159 different artist development offerings. To date, previous research has been limited when documenting the full extent of activities offered by small-scale contemporary visual arts organisations. Although based on a single case, my research uncovered a vastly expanded understanding of what these activities might involve. In doing so, I was able to better understand the values that artists considered to be associated with their time spent in the institutionalised small-scale contemporary visual arts sector.

### Non-quantifiable values

In the interviews with artists who I termed deferred values artists, it was clear that the values they had taken forward in their career differed to the quantifiable accumulation of profit alluded to by Thelwall (2011) in her construction of “deferred value”. In the interviews, I experienced two types of deferred values. The first were values often associated with *emotional resources*. Emotional resources were part of the category of artist development entitled *resources that feed a practical output*. These were artist development offerings that were available to be drawn on by practitioners in order to prevent stagnation in the active production of artworks. Emotional resources usually required repeated renewal at frequent points through an artist’s career for them to avoid stagnation in their practice. Below, I use the example of professionalism, but I also found this with encouragement, confidence, reassurance, and belonging. Which emotional resources an artist needed was dependant on their levels of experience. For example, artists with more experience required less *belonging* than those with limited experience. The second were lasting values that acted as a resource artists could use: (1) as an established base of resources that they could return to throughout their career in order to feed practical outputs, or (2) to springboard a change in their practice to a lasting effect. These were seen in the form of significant shifts in the artist’s approach to their practice – either in the material output, or in the way they approached their practice – or through collaborations that continued throughout their career. In relation to the deferred values perceived to be short-term, eleven of the interview candidates directly discussed the short-term impacts of resources. While these did have a short-term impact, they were also required consistently throughout an artist’s career and so built into long-term values that acted as a source of sustenance throughout. These tended to be emotional *boosts* or skills and knowledge that they could use for a little while following distribution of the resource, but would not return to repeatedly throughout their career. For example, Jordan Baseman recalled the way Castlefield Gallery imbued professionalism in the artists they worked with. This was both in his students and in himself:

<sup>3</sup> Non-formal learning is structured learning that does not have explicit learning outcomes as the goal, whereas formal learning is learning that takes place with specific outcomes in mind (OECD, n.d.).

[...] the way that he [the Director of Castlefield Gallery] engaged with us [Jordan and his students] was not patronising in any way. The bar was much higher than they [the students] were used to (which was great, it was really great!); he treated as professional artists, which was what they needed to feel like and what they were and are aspiring to be [...] (Baseman, 2015).

Later in the interview, I returned to this point and asked: "You mentioned just then that they needed to feel like 'professional artists'. Why?" He replied:

More generally, I guess, how you perceive yourself may be how you are and how you present yourself to the world. This is something I'm trying to continually learn (but don't always get) but it's like how you present yourself is how others understand you to be. But they didn't have the chance to present themselves, it was just a given that they were treated in this manner (Baseman, 2015).

Jordan added: "in terms of my own practice, it made me feel like a professional (for once in a while)" (Baseman, 2015). Being treated as a professional did not offer Jordan or his students a baseline resource that they could return to and draw from throughout their career; these resources had an expiry, and later artists required another injection. They acted as a short-term *boost*, helping the artists on to the next opportunity, and perhaps another, but not indefinitely; the resource would become exhausted.

Several of the artists also noted the more *lasting* values that they were able to carry throughout the duration of their career. These values could either be re-visited at different points later in their career, or marked a lasting shift in the direction of their practice. Neither of these impacts expired in the same way that the short-term did. An example of the former was the collaboration between Roxy Walsh and a writer which resulted from an exhibition at Castlefield Gallery. Roxy noted how the production of a catalogue resulted in a long term relationship:

Doing the catalogue allowed me to key into a writer, and allowed her to put together a workshop. She wrote the catalogue. That became an ongoing thing. She wrote again for a catalogue in 2012, and she's won the booker prize in between (Walsh, 2015)

It is clear that Roxy was able to revisit this working relationship at different stages through her career. Clyde Hopkins was an example of the second type of lasting impact; a shift in practice. Clyde directly associated this shift with his exhibition at Castlefield Gallery. As part of a retrospective, Clyde was able to review a select number of works and consider where to go next. For Clyde, this exhibition focussed his attention on a particular style of painting which he then used throughout his career.

I think it was quite useful for me having that show at that point because my work (surprise surprise, I'm sure it is the same for everyone) did seem to be at some sort of turning point, some sort of transition anyway. Sometimes work goes on largely in what seems a logical continuation. At other times, it's quite exciting to be making some sort of changes and not quite knowing what's going to come out. Feeling that there is some change under way. That was quite a useful time for me because, I noticed in the work that I selected for it, it seemed to me there was very definitely some work that was in the process of changing, I guess, and there was some work that was older that I kind of felt I knew much more about.

[...]

Some of it was quite painterly and loose, at times, and other times I was just beginning to see if there was something interesting that I could do by introducing bits of patter, or dots instead of fields of colour [...].it encouraged me to continue to think about the changes that were taking place, rather than thinking 'oh my god! What did I go out on that limb for?'. I thought 'this could be something, this sort of mixture of messiness of colour; much more hi-key colour coming out of washy but dark grounds; introducing some of these patterns, or decorative elements' (Hopkins, 2015)

By engaging with the data collected from artists, it was clear that "deferred value" could be applied to a greater range of *values* than those rendered visible through Thelwall's (2011) use of retrospection. The

different *values* drawn out of the data could be divided between the perceived short-term and the more lasting.

### **Testing with an audience: a generative process between artist and audience**

In my definition of an audience, I included anyone who might view, receive, and engage with the work. This included other artists, curators, collectors, and the public. The feedback other artists and curators can offer to artists in terms of their development is well-known. What is less established is how other artists and public audiences can act as a resource for a practitioner's artwork.

Above, I illustrated how artist and audience have become dichotomised through several different mechanisms, often related to the nature of Anglo-liberal capitalism. The following paragraphs present the data generated from my research at Castlefield Gallery. Interviews with artists from all three categories – CG Associates, exhibiting artists, and deferred values artists – highlighted a role for audiences within artist development. For the artists in this study, audience engagement did not end with artwork consumption. Testing the work with an audience had the potential to provide an artist with emotional resources, as well as new avenues in the work. Eleven of the artists I interviewed discussed how the feedback from an audience was key to their practice. Instead of discussing a positive experience of engaging with artists, two of the CG Associates lamented the absence of a productive engagement, and so suggesting they have a desire for it. For example, Roxy Walsh expressed the importance of audiences as part of her creative process.

If you don't ventilate the work by taking it out of the studio, you don't really have any way of testing whether it does any of the things you feel you want it to do. Until you add an audience until you add an interaction with people who are not intimately bound up with the work the work doesn't quite exist; it's in development. Through those reflections, you change the direction of the work – maybe not totally, it's a bit like an ocean liner – I think you do make decisions based on how it's received (Walsh, 2015)

The generative potential of feedback was also raised by CGA2.

[...] at the end of the day my motivation for creating work is that interaction with the audience, and so it is important that my work is communicating with an audience in a certain way, and you can only really achieve that if you've got somebody to test it out on and somebody to kind of test it out on and see how people receive it. Whereas if you're working in isolation, you haven't got that kind of external judge or assessment of what you're producing until you're actually out there. In terms of the physical output, that gives you more confidence in what you're producing and how you're producing it (CGA2, 2015)

In the interviews, there was a clear desire from the artists for a productive engagement between artists and audiences, either based on previous experiences or as an innate part of being a practitioner of contemporary visual arts. The interviews clearly showed that feeding the audience's reception of the artwork back into the practice was a part of producing new work.

### **Memory**

When asked for specific examples of activities that had helped them, one candidate described: "I've got such a lousy memory! It's not that they haven't been useful, it's just being put on the spot to remember one" (CGA2, 2015). Several of my interview candidates directly questioned whether they remembered everything, or confessed that there were many things they had forgotten. This was consistent throughout the interviews, regardless of whether the artists had exhibited with Castlefield Gallery 28 years prior to the interview, or were engaged with them at the time.

## **4. Discussion**

ACE has, historically, been heavily contextualised by the force of Anglo-liberal Capitalism. In 2011, this culminated in the disproportionate cuts to funding organisations working with artists at formative stages in

their career seeking to ensure the continuation of their practice through artist development. Several authors (Louise 2011a; Thelwall 2011; Gordon-Nesbitt 2012) were attentive to the metrics used to evaluate small-scale contemporary visual arts organisations, and called for alternatives to be considered. To date these metrics have retrospectively applied the contemporary value sets of Anglo-liberal capitalism, and so continued to perpetuate a lack of understanding around what these organisations do, and how they help sustain the arts ecosystem.

What was clear upon analysis of the data was that the majority of the artists required a range of artist development activities, and that the values they took from them lasted, either in the short-term or long-term. Thelwall's (2011) began her conceptualisation of "deferred value" with the profitable artwork as the final stage of a linear process from small to large-scale contemporary visual arts organisations. As such, this made retrospective assumptions about the initial values small-scale contemporary visual arts organisations contributed to the wider arts ecology. These assumptions only rendered visible previous activity that could later be quantifiably realised. In the interviews, both *skills and knowledge* and *resources that feed a practical output* were deemed essential to an artists need to prevent stagnation in their practice. These could then be divided into the perceived short-term values, and the long-term values.

Values perceived to be short-term tended to be required at more-frequent intervals throughout an artist's career. This corroborated with the findings Slater, Ravetz, and Lee (2013). They state:

...the focus was very much on personal triumphs backed up with external validation. These successes included producing work they were happy with, particularly if external parties also perceived that work as 'successful'. The confidence an artist had in their own work was increased and encouraged when they gained increasing confidence from others in the work they produced (Slater, Ravetz, & Lee, 2013: 20)

Here, Slater, Ravetz, and Lee (2013) are starting to unpick what I termed resources, particularly *emotional resources*. Without the injection of these short-term values, which were carried beyond the immediate engagement at Castlefield Gallery but required *topping up*, artists feared periods of stagnation in their practice. Where these were linked to the outcome of a showcasing opportunity, such as an exhibition or a sale, these were more often significant due to the way the showcasing opportunity could be exchanged for skills, knowledge, or resources. The reason I term these the *perceived* short-term deferred values is because their continual layering over long periods of time was required, even though each instance does not necessarily last for a longer duration. The second type was the lasting impacts that don't necessarily need to be followed by another similar experience in order to sustain the artist. These included, for example, relationships that developed, or interventions that were particularly timely. These, can be resources that have a particular resonance, but more often they are associated with the showcasing opportunities that connect an artist to other practitioners.

I also demonstrated how – in Thelwall's (2011) analysis of "deferred value" as well as the discourses of policymakers – artist and audience have been presented as categorically separate. Furthering this, audiences are seen as the culminating stage of a linear process of consumption. This viewpoint directly impacted Castlefield Gallery who, as part of their NPO status, were obliged to conduct audience surveys that achieved little more than demographic data. While this data has uses such as enabling the gallery's marketing officer to target new audiences and expand their audience base, the possibility for an audience to provide the artist with feedback is overlooked. The data clearly showed that the artists in the study valued audience feedback as part of their development. Commenting on Audience Finder, EA2 stated: "it's information collecting. That does not serve art" (EA2, 2015). "To get a response that has a *meaning*" they explained "is part of the process of the artist" (EA2, 2015). Understanding audience-as-resource, exchanges between artist and audience can provide the artist with emotional resources as well as new avenues in the work. Instead of a linear process culminating in product consumption, the process between artist and

audience, centred on the artwork, is instead a cyclical one. The dichotomy that has become entrenched in the policy documents and practices of policymakers and funders is, therefore, false.

Many of the discrepancies between ACE's funding strategies, Thelwall (2011) application of "deferred value", and the data presented here can largely be explained with the issues of retrospection. By applying a lens formed of normative values based on contextualising constructs initiated in Anglo-liberal capitalism, ACE and Thelwall are only able to see the values that this lens allows. In light of the section addressing memory, artists confessed they had forgotten all the details of what their initial engagement with Castlefield Gallery had offered them, and so these values were lost in a later engagement with their narratives.

## 5. Using a prospective approach

*Starting from Values* was a Connected Communities Legacy Project.<sup>4</sup> The project argued that, by using something termed *the value lens*, the outputs and legacies of a given project are diversified. This can be achieved through an open engagement with the *values* held by all of those involved with the project, at the outset of the project. They argued that the majority of legacy evaluations start with the evaluator retrospectively asking what they – the project leads – wanted to achieve from the project, and evaluating the project backwards based on that information. Instead, *Starting from Values* argued that at the very start of a project, the project leads should use what they termed *the value lens*. *The value lens* begins with all participants articulating the values they would like to obtain from an upcoming project/event. These values are then prospectively tracked, evaluated, and any additional values that are added or branch off the original ones are documented. In doing so, *the value lens* aims to evidence and capture a more holistic representation of the legacy of the original project/event. Memory, as discussed above, is a huge issue in retrospective mechanisms of evaluation. *The value lens* circumvents this by capturing the data at regular intervals at the time.

One of the issues with advocating *the value lens* is that in the case of artist development offerings there might never be an end point to the potential impacts the offerings can have. How long do you continue capturing the *values* that might develop and generate others over an indefinite timeframe? One of the main challenges facing whether or not a *value lens* style approach could be adopted is that of limited staffing resources in small-scale contemporary visual arts organisations. Could notoriously over-worked and under-resourced staffing structures adopt such an approach? In response, I would argue that having a bank of data that demonstrated the ongoing value of an organisation would significantly ease the somewhat frantic process of reporting I observed at Castlefield Gallery. When reports were due, the staff frequently spent time capturing advocacy statements from artists via email. This was time-consuming, and led to a disjointed writing process. Furthermore, this reactionary gathering of advocacy data does not help organisations develop. Part of Castlefield Gallery's ethos was to be responsive to the needs of artist while using their expertise to provide the artists with what they could not foresee they needed. With genuine data collected over time, the more honest input from artists could potentially be used for better programming. These arguments are limited in the extent to which they can circumvent the issues of staff capacity. To this, I currently have no solution other than to note that prospective mechanisms, manually applied in the small-scale contemporary visual arts sphere, will require more staff capacity over and above their current ones.

## Conclusion

The way that Anglo-liberal capitalism conflates value with profit has meant that retrospective mechanisms of understanding value have applied this model backwards. This tends to uncover data that has reinforced the

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<sup>4</sup> Connected Communities is an Arts and Humanities Research Council funded research programme "designed to help us understand the changing nature of communities in their historical and cultural contexts and the role of communities in sustaining and enhancing our quality of life" (Connected Communities, n.d.b).

quantitative model, rather than expose alternatives to it. This offers a limited understanding of what it is small-scale contemporary visual arts organisations contribute to the wider arts ecosystem. It has also led to a binary between artist and audience. This can be seen in the case of Thelwall's (2011) analysis of "deferred value". Without the small-scale contemporary visual arts sphere, the contemporary visual arts infrastructure would, to quote Louise (2011b) "break down". In order to prevent artist's practices from stagnating, artists must have access to *artist development* at formative stages in their career. My research at Castlefield Gallery highlighted how extensive the activities offered by small-scale contemporary visual arts organisations can be, perhaps even more so in other cases. The values artists obtained in these areas were not isolated to the time in which they were offered, but continued to offer resources to the artists throughout their career. By using an ethnographic approach and grounded theory, I was able to start capturing the different deferred values. However, my approach was still limited to the memory of the participants. Even participants who were still engaged at Castlefield Gallery were openly forgetful about what values the artist development offerings had given them access to. If ACE is to be attentive to an arts ecosystem that continues to support artists in the production of critically engaged work, through formative periods in their career, I recommend a more widespread use of prospective methods. It is only by tracking values forward that we can really evaluate the practices of organisations such as Castlefield Gallery.

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<sup>5</sup> Underlying sources which I have not directly quoted from but were used for coding and categorising can be provided on request.



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## **Working for free in the UK theatre Industry: An actor's perspective**

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### **Abstract**

What motivates professional actors to work for no money? Why are arts managers not paying actors fairly? Press coverage, data and anecdotal accounts from UK-based actors, and four theatre-making models are analysed against economic, social, psychological and legal theories in order to examine the contemporary practice of free labour in the UK theatre industry. This paper argues that, although it is illegal not to pay actors, the latter are commonly faced with low or no wages, partly due to an oversaturated market and partly owing to their tendency to favour intrinsic over monetary rewards. It addresses the ethical responsibility of arts managers to provide fair pay for professional actors. Finally, it observes how perceptions of unpaid labour have begun to shift amongst theatre practitioners and makes recommendations on how to tackle and move beyond the widespread working-for-free culture.

Keywords: theatre industry; free labour; precarity; intrinsic motivation; equity

### **Introduction**

Free labour in the arts and creative industries is a growing issue that far outspans the scope of this paper. The lack of academic research dedicated to voluntary work and employment conditions in the entertainment industry, as well as a surge in debates involving British performers and arts managers around the issue, highlight a pressing need to start building an analytical framework of unpaid acting work in the UK today.

Although there is a long tradition of unpaid labour in the sector, this article looks at its contemporary practice. Interviews with three arts managers were conducted and an online survey completed by 130 anonymous UK-based actors between March and April 2014. Data from other recent surveys led by industry bodies, articles published within the last six years by industry newspapers and a variety of current case studies were also used. As surveys show that the majority of unpaid acting jobs are in theatre (Equity, 2013b), focus is given to that area of work. Both facts and anecdotal accounts are analysed against economic, social, psychological and legal theoretical backgrounds.

The paper first examines the economic issues faced by actors, before attempting to recognise the values and psychological needs that motivate them to accept work that offers no monetary reward. It then looks at the legal and ethical implications of labour-related decisions made by arts managers and actors themselves. It aims at broadening the understanding of unpaid labour in the theatre industry, flagging up its implications on both actors and the sector as a whole, and offering ways to move beyond the widespread working-for-free culture.

### **1. The economy of the performing arts**

Most skilled professionals would expect to be paid for the work they do. So why do actors' career choices include unpaid labour? In order to understand this contradiction, it is necessary to unpick elements of the wider economy of the arts in which actors operate.

The performing arts sector is characterised by extreme income differentials (Cairns 1996; Caves 2000;

Abbing 2002; Hesmondhalgh 2010). A simple economic equilibrium principle of supply and demand explains why an increase in the number of performers reduces the price of labour (Caves 2000; Towse 2010), but why the supply of artists does not naturally decrease to match the demand continues to puzzle economists (Abbing, 2002). Instead, data from the Office for National Statistics shows that, between 2002 and 2012, the number of actors went up from 21,000 to 48,000 (Quinn, 2013). Those actors operate in a winner-takes-all market (Abbing, 2002; Ross, 2008; Towse, 2010) whereby a lucky few earn astronomical amounts whilst the majority compete for low earnings (Hesmondhalgh 2010; Towse 2010; Dean 2012). This situation is worsened by the rise in popularity of star casting, a strategy adopted by commercial theatre producers to reach a wider audience (Snow, 2015). To a certain extent, casting directors need oversupply in order to find the perfect match for a role (Elkin, 2014), but it is worth examining why there is such a high number of actors despite such low prospects of financial viability.

A career in the arts is an attractive choice (Menger 1999; Hesmondhalgh 2010; Dean 2012) where job satisfaction often compensates for low income, uncertainty and risk (Menger 1999; Glomb, Kammeyer-Mueller and Rotundo 2004). Today there is a growing sense that anyone can be an entertainer (Cairns, 1996), which is reflected in the boom of televised talent and reality shows. Performance has even become an employability skill as service workers are required to *act* the brand (Hochschild, 1983 as cited by Jackson, 2012). In addition, the decade of economic stability that preceded the financial crisis in 2007 and the emphasis placed by New Labour on creativity and access to the arts have contributed to a rise in university students choosing creative disciplines (Comunian, Faggian and Jewell, 2011), resulting in the number of drama graduates largely exceeding the number of income-earning professional actors that the market can accommodate (Cairns 1996; Caves 2000; Wilmott 2013; Elkin 2014). These factors all contribute in increasing competition, and thus reducing wages.

Intermediaries such as agents and casting directors act as “gatekeepers” filtering access to success (Caves 2000; Christopherson 2009). Some believe that educational institutions should also tighten their gatekeeping mechanisms by reducing their intake of students and the number of programmes available (Elkin, 2014). But ultimately, the only way for actors to find out whether they can *make it* in the business is by entering the market (Towse 2010; Comunian, Faggian and Jewell 2011); this creates a disproportionately high number of actors at entry level (Cairns 1996; Caves 2000; Elkin 2014) who are prepared to work for free in order to gain experience (Ball, 2003) and in the hope to enhance their career prospects (Towse 2010; Comunian, Faggian and Jewell 2011) by showcasing their employability skills (Ball 2003; Cohen 2012) to those industry gatekeepers. Indeed, all survey respondents with less than two years’ experience said they would consider taking unpaid work. Some are becoming “a bit annoyed [that] the industry is so saturated” and feel that “if [they] don’t take the opportunity someone else will.” This viewpoint is widespread and even experienced actors may accept low or zero wages in order to compete. Perhaps unpaid labour acts as another gatekeeping process through which actors’ determination to pursue a career in acting is put to the test, as one of our survey respondents reported: “I believe unpaid work is becoming a culture. It makes having a career in acting very difficult, and as a result most of the actors I know have ended up walking away from the industry to take paid employment.” However, this could dangerously limit access to those lucky enough to receive financial support from family and friends, deepening class divide and leading to a critical lack of diversity within the industry, as is illustrated by a peer-reviewed study led by London School of Economics and Goldsmiths College revealing that only 27% of actors come from a working-class background (Cadwalladr, 2016). In addition to acting as filters, intermediaries such as funding bodies and artistic directorship, often absent from low-budget projects, play an essential role in controlling quality (Caves, 2000; Christopherson, 2009), which can explain why many surveyed actors found a poor level of professionalism and artistic integrity on unpaid productions.

Studies also found that artists tend to consider their profession as a *vocation* rather than an occupation (Haunschild and Eikhof 2007, 2009; Dean 2012). This aspirational attitude can lead to self-sacrifice (McRobbie, 2001) and a tendency to accept poor working conditions as being “part of the process”, as expressed by a survey respondent. Part-time, casual and short-term employment; long shifts; unpaid and low-paid labour; lack of employment benefits, access to social welfare and union protection (Ross, 2009; Hesmondhalgh 2010; Oakley 2011; Cohen 2012; Dean 2012; Jackson 2012) – these are all part of what economists call “precarity” and believed to be new forms of capitalist exploitation encountered in the new creative economy (Raunig 2007; Ross 2008; Johnson 2009). In 1980, governments built on values like entrepreneurship and flexibility to drive the economy forward (Baker and Hesmondhalgh 2008; Ross 2008; Eikhof and Haunschild 2009; Holmes 2008 as cited by Jackson 2012); this led to a boom of self-employed labourers “not employed continuously but hired to do specific assignments” (The Collins English Dictionary, 2015). The “talent-led economy” driven by New Labour in 1990 (Carrot Workers’ Collective 2009; Comunian, Faggian and Jewell 2011) created self-motivated individuals for whom work means “much more than just earning” (Hesmondhalgh, 2010: 271). Slowly, boundaries between work and private life become blurred (Carrot Workers’ Collective 2009; Haunschild and Eikhof 2009) and *free work* is established as a normality for freelancers who constantly spend unpaid time on career-related tasks such as learning lines, self-promotion, job seeking, networking, skills development and accounting (Haunschild and Eikhof 2009; McGuigan 2010; Cohen 2012). Nowadays, 25% of the creative workforce (Creative Industries, 2014) and the majority of artists have little choice but to adopt a “portfolio career” with periods of intense work intertwined with unemployment (Menger 1999; McRobbie 2002; Ball 2003; Christopherson 2009; Cohen 2012). Unsurprisingly, juggling work commitments was the fourth biggest difficulty encountered by our survey respondents, while financial strain remained their primary concern.

The depreciation of capital experienced during unemployment periods (Schneider, 2012) could explain why actors often take secondary employment to keep afloat (Menger 1999; Caves 2000; Abbing 2002; Carrot Workers’ Collective 2009; Christopherson 2009; Towse 2010). Indeed, a survey conducted by Creative & Cultural Skills and Equity (2005) reveal that 56% of professional performers have non-performing jobs and a more recent survey done for this study shows that 65% of actors earn less than half of their income through performing. Those who can afford to get involved in unpaid artistic projects enhance their “cultural capital” through furthering their skills and build their “social capital” by increasing their industry connections (Bourdieu, 1986). Half of the survey respondents feel unpaid work has been “important” for their career, and one added that it can even increase “economic capital” in the long run (Bourdieu 1986; Arrow 2000; Haunschild and Eikhof 2009): “It helped me to meet contacts that have [led] to paid work later in my career.” This balancing act of mixed income streams means that actors occupy a disputable place within the economy. According to Ransome (2005), today’s society is both “work-based” – with paid work still highly valued and defining social status – and “consumption-based” – a new trend whereby people work in order to spend money on goods and leisure activities. In economic terms, a *professional* must *earn* money – and for some, the majority of their income (Caves, 2000) – from their practice (Abbing, 2002). However, with nearly half of performers earning nothing or less than £5k from the entertainment industry (Equity, 2013b), those who practice their art in their *free time* whilst earning money outside of the industry could easily be perceived as *amateurs* (Abbing, 2002) or *consumers* of art (Ransome, 2005). Indeed 42 survey respondents claimed to have felt undervalued and eleven admitted to feeling less professional when working unpaid: “A professional actor is [someone] who gets paid for what they do. Working for free makes me feel as though I am not a ‘proper actor’ – which is absurd, as my skill set is still the same. [...] I have no choice but to accept the offer – otherwise I work as a waitress for the rest of my life...”

This low self-perception can make it harder for actors to take their place in society and fight for their employment rights. Moreover, actors often fear they will damage their careers if they speak up about *uncool*

subjects such as pay (McRobbie 2002; Dean 2012). But is it fair to say that actors are being exploited? According to Marx, exploitation happens when the value of the work produced by labourers exceeds their rate of pay (Cohen, 2012). However, this capitalist concept of exploitation is difficult to relate to a prominently not-for-profit sector largely driven by subjective values (Cohen, 2012). Unpaid work could also be considered exploitative if it is the only way to get a foothold into an industry (Hesmondhalgh, 2010), as it is expressed by one of our survey respondents: “At the start of my career when I worked on the London fringe, it was hardly acknowledged that you were giving up your time for free, it was just the norm. [...] I think it is exploitative...” However, a career in the arts is typically motivated by a search for fulfilment and happiness (Menger 1999; McGuigan 2010), which reduces actors’ feelings of exploitation and tends to make society perceive their tolerance of hardship as self-exploitation (McRobbie 2001; Hesmondhalgh 2010; Cohen, 2012).

Often, actors’ feelings of exploitation intensify when other workers are paid. Survey respondents recurrently indicated that they “felt fine about [working for free] so long as everyone else involved in the project [was] also working for free.” Inequity theory stipulates that when people measure their ratio of outcomes to inputs – for example, the amount of money received in exchange for the amount of time invested in a project – and realise that it does not equally compare to that of their peers, they try to reinstate equity either by increasing their own outcome – for instance, their enjoyment of a task – or reducing their own input – for instance, the effort they put into the task (Adams, 1963 as cited by Deci, 1975). However, behaviourists claim that when people accept freely to work for a lower wage, it reduces the dissonance between inputs and outcomes and make them feel responsible for doing a good job regardless (Deci, 1975). So *choice* is what somehow makes inequality equitable. “If one individual receives less than another owing to her own choice, then the disparity is not considered inequitable; if it arises for reasons beyond her control, then it is inequitable.” (LeGrand, 1991: 87)

Yet several economists have rejected the notion of equity because it is based on subjective judgements (LeGrand, 1991). On the one hand, the fact that unpaid work is a part of professional actors’ “choice set” (LeGrand, 1991) seems unfair. On the other hand, the fact that they accept this unpaid work willingly makes the use of the term *exploitation* debatable (Andrejevic 2009, as cited by Hesmondhalgh, 2010). Nevertheless, if performers earn less than comparable occupational groups (International Labour Organisation, 1992 as cited by Dean, 2012) due to career preferences, which can be considered as being “the product of factors beyond individual control, such as family upbringing, education, biology and so on” (LeGrand 1991: 94), this could be considered inequitable. However, Bourdieu’s similar concept of “habitus” stipulates that one can adjust their aspirations according to the probabilities of success (Swartz, 1997), thus ruling out the former argument. So why do people choose to pursue a career in acting despite such low contingencies and, more importantly, what motivates professional actors to work unpaid along the way?

## 2. The motivation of actors

Perhaps it is indeed “dangerous to think of wages as the only meaningful form of reward” when low or unpaid jobs often offer a “deferred wage” through rewards of other kinds (Hesmondhalgh 2010: 278). Florida (2002) observed that, while salary can still act as an indicator of success within what he calls the “creative class”, money is seldom the main incentive to take work and status is sooner determined by talent. Similarly, actors tend to value creative expression over pay (Caves 2000; Haunschild and Eikhof 2007; Christopherson 2009). When actors choose what role to play – regardless of whether they are getting paid for it or not – they instigate a “self-actualisation” process used to define their own “creative identity” (Florida, 2002) which is promoted on their CV. Therefore, actors may well pick a well-known part over a well-paid small role. One of our survey respondents admitted to have “once stood down from paid TV work (as it was only a walk on role) to play the lead in a short independent film because the work was more challenging and more fun”. But this attitude derived from the long-standing ideology of *art for art’s sake* (Caves 2000; Haunschild and Eikhof

2007) tends to favour the producer over the actor (Dean, 2012), which can be frustrating for the latter, as it came out in the survey: “[It] makes me feel [as if] the industry expects you to feel lucky and privileged to be an actor. [You’re] expected to work for the love of it and not [to] make a living.”

Since art has an intrinsic value, one could say that artists are primarily intrinsically motivated workers. “Intrinsically motivated activities are ones for which there is no apparent rewards except the activity itself. People seem to engage in the activities for their own sake and not because they lead to an extrinsic reward.” (Deci, 1975: 23) Although many have disputed the relevance of behaviourist studies – often based on experiments on rats or pigeons avoiding electric shock – in defining human behaviour, some of their findings could help explain actors’ motivations for taking unpaid work. They may want to undertake a challenging role in a small production as a way to either stretch their creative muscles within a low-risk environment, reduce uncertainty (Deci, 1975), attain “mastery” (Kagan 1972, as cited by Deci 1975), feel competent (Deci, 1975) or simply reduce boredom (Isaac, 1962 as cited by Deci 1975) during periods of unemployment. Operating in a highly competitive market can be perceived as a challenge in itself (Deci and Reeve, 1996), so finding work – regardless of whether it pays or not – can be sufficient for an actor to validate their own self-worth. Even those who already perceive themselves as competent can find themselves having doubts about their own abilities that need reaffirming (Maddi, 1970 as cited by Deci 1975). Moreover, deliberately choosing an acting job, regardless of the monetary reward, could give actors a sense of control over their career, as a survey respondent explains: “It’s a case of do I want and can [I] have that particular job, paid or unpaid. If I’m in a financial situation where I can afford it, I will work on any job that is satisfying or helpful in my career development.”

External rewards like pay are also used by employers to control their staff (Deci, 1975). It therefore does not come as a surprise that actors who value their bohemian lifestyle (Florida 2002; Haunschild and Eikhof 2007) and artistic freedom (Cairns, 1996), consider high wages as a deterrent (Deci, 1975) associated with disreputable work that is “really bad and can be terrible for your career”, as was believed by a survey respondent. For others, like this other survey respondent, the absence of payment for a job done creates a “discomfort” (Deci, 1975) that clarifies their preference for either the work or the reward (Festinger, 1961): “Working unpaid [...] helped me understand what I am and am not comfortable with as a working actor. It taught me the importance of being paid for what I do.” While receiving intrinsic rewards – such as raving reviews or praise – can reduce the level of discomfort and shift an actor’s attitude (Deci and Reeve, 1996) in favour of the unpaid work, the reverse is also true. Over a third of the survey respondents admitted to feeling “undervalued” or “unappreciated” when working for free, leading to a negative attitude towards unpaid work. Although some said they approached unpaid work with low expectations, it transpired that actors expect to receive better treatment to compensate for the lack of payment. But without a contract stating terms of employment, working conditions can decline, as a survey respondent observed: “Unpaid projects are more likely to leak into the mentality that you work until what needs to be done is done. [...] and then you’ve suddenly lost an hour that you needed to sleep before going to work the next morning.” Experiments (Festinger, 1961) showed that receiving insufficient rewards following huge efforts increases resistance to extinction. Perhaps unpaid work plays a similar part in building actors’ resilience in an industry where competition is fierce.

Actors tend to take on unpaid opportunities to either further or maintain their social network, like volunteers (Pearce 1993; Clary and Snyder 1999; Gilmore 2009). Some of our survey respondents suggested they would only work for free to “help out a friend who [they] know will help [them] out in the future.” In all cases, the decision to donate one’s time and effort seems to depend on whether the activity matches the volunteer’s goals (Clary and Snyder, 1999). For example, actors who want to enhance their profile and social circle would respond to a casting call by a well-known director. Substantial evidence shows that individuals are more likely to undertake or continue to engage in voluntary work if they know other volunteers or if they

believe that their expectations will be met (Pearce, 1993). Therefore, knowing that other actors work for free or hearing success stories from peers whose experiences of unpaid work have *paid off* could normalise and encourage the behaviour. For example, a Casting Call Pro forum post that told the series of events that led an actor from working on an “expenses only” short film to winning the Best Lead Actor in a Drama at the Indie Series Awards in Hollywood (Halpin, 2014) was viewed by 1,014 members and all but one of the comments were congratulatory. This risk-taking strategy is also perpetuated by reality TV celebrities and talent show winners, who continue to remind actors that it is possible to *be discovered* and go on to have successful careers.

Economic and social theories, backed by practical analysis of actors’ experiences and behaviours, have shown that the existence of free labour in the performing arts sector is real and places tremendous financial and psychological strain on British actors. Those who choose to work unpaid in order to practice their craft, gain skills or build their network may well contribute to cultivating and spreading the practice, but ultimately it is down to arts managers to instigate change.

### 3. The legal battle

The entertainment sector has for many years been operating outside of the law. Somehow it has been made possible for employers to get away with not remunerating workers, perhaps because acting is not always perceived as *real work* (Cairns 1996; Dean 2012) or because actors like to exercise their right to work (Cairns, 1996) at any cost. Despite the Low Pay Commission warning against a dangerous growth in unpaid working opportunities, there are still many grey areas surrounding the employment law in the entertainment industry (Pyper, 2014). Actors in particular have a confusing working status; they are considered *self-employed* for tax purposes, but are viewed as contracted *workers* by employment legislation (Dean 2012; Birkbeck School of Arts 2014). As a ground rule, free labourers can either be *volunteers* or *voluntary workers*; however, those who qualify as *workers* under employment law must be paid the National Minimum Wage (Restall 2005; Pyper 2014). So are unpaid actors volunteers or workers?

What establishes a *worker* is a contract, which does not necessarily have to be written or verbal (Restall 2005; Pyper 2014).

For a contract to exist there must be agreement (offer and acceptance), consideration (an exchange of something of value) and an intention to create legal relations. Staff who are not paid a salary have nevertheless probably agreed to perform certain services [...] and the employer has probably offered something in return (experience, access to the market and perhaps some minor expenses). The general working context and the elements of mutual obligation characteristic of a particular employment may show an intention to create legal relations. Thus, all the elements of a contract are easily inferred. If a volunteer is genuinely supernumerary with no obligation to work, he would not be entitled to the NMW. However, if a ‘volunteer’ is under an obligation to work, then he is, in fact, a ‘worker’ and entitled to the NMW, unless an exception applies. (Pyper, 2014: 4)

The exception lays in Section 44 of the National Minimum Wage Act 1999 whereby a *voluntary worker* performs services “for a charity, voluntary organisation, associated fund-raising body or a statutory body” and receives no in-kind benefits or payment other than reimbursement of expenses (Restall 2005; Pyper 2014). Therefore, when actors are offered and accept work for any company other than the types listed above in exchange for anything of value to them, they establish a contractual relationship that defines them as workers. Nevertheless, confusion remains as Restall (2005) argues that this is only the case when the value of the consideration is monetary. For example, those who work unpaid for experience gain only would be volunteers, but those who receive financially quantifiable rewards – such as free drinks or complementary tickets – in exchange for their services would thus become workers entitled to receive the NMW.

Perhaps a better way of distinguishing between workers and volunteers is through their level of autonomy and mutual obligation (Restall 2005; Pyper 2014). Typically, workers and their employers are mutually invested in work obligations. This is also true of theatre producers, who expect their cast to commit to their project, and of actors, who expect to be given work after they have cleared their diary for a project. Volunteers on the contrary are legally obliged to retain a good level of autonomy on the tasks that they perform and the hours that they work (Restall, 2005). However, actors tend to be assigned specific roles, agree to work for set periods of time at set times, and cannot miss rehearsals or performances without causing major disruption. Thus, it seems as if actors' level of autonomy is low and their level of mutual obligation is high; a combination that brings them closer to the definition of worker and further away from the definition of volunteer, refuting the legal existence of the voluntary actor.

Another way to get clarity on NMW entitlement is to look at employment tribunal judgements (Restall, 2005). Since 2013, judges ruled twice that actors were owed the NMW for work they had done on unpaid productions advertised as profit-share (Merrifield, 2013b, 2014b). In 2014, it was ruled that the cast of a Theatre Collection's production was owed the NMW on the basis that they "were expected to attend rehearsals at set times, rearrange their work commitments around the production's schedule and were denied access to the financial information for the show" (Merrifield, 2014b). The previous year, Gavin McAlinden's company Charm Offensive Limited was sued after actors got fired from his production, which clearly showed that McAlinden as an employer who held power over his workers. He was ordered to pay them the NMW, but has since won an appeal, showing that even judges are inconsistent in their views of actors' employment status. Actors' union Equity, who led the suits, hope that those rulings will discourage producers from not paying actors (Merrifield, 2013b) and raise awareness of the issue amongst their 36,000 members (Equity, n.d.b) and beyond, with the help of press coverage from industry publication *The Stage*, which has 10,000 weekly readers and 280,000 monthly digital unique visitors (The Stage, 2014). Leicester (2010) believes that cultures change slowly "through conversation", so the ability of Equity to fuel public debates could potentially trigger a shift towards fair pay in the sector.

#### **4. The ethical considerations**

Equity has an influential role to play in promoting fair industry standards. In 2011, it established a Low Pay No Pay Rights Working Party and in 2015, it launched the Professionally Made Professionally Paid campaign (Equity n.d.a; Merrifield 2014c). But what power does Equity actually have and can it make a real difference? The abolishment of the closed-shop system, whereby performers had to be registered members of the union in order to access work, makes it hard to assess whether the majority of UK-based actors are active members of Equity, and thus to measure its strength as a trade union (Dean, 2012). Moreover, Equity must find a delicate balance between leadership and democracy (Hyman, 2004) by adopting a strong position against unpaid work without denying members their right to work for free. Its authority is further restricted by the fact that companies are not obligated to adopt Equity agreements; it is down to arts managers to decide. In an article in *The Stage*, theatre director Phil Wilmott (2013) defended the demand for *voluntary* productions, claiming that it would be "self-defeating" to abort projects that allow actors to fill periods of unemployment, which are on average equivalent to 85% of a performer's time (Dean, 2012). Indeed, this model can be seen as an easy way to make theatre, especially for artists who know little about fundraising. However, a few arts managers advocating fair pay have proposed alternative sustainable models.

Whether arts managers believe that not paying actors is right or wrong could depend on whether they see theatre more as an art or a business. Danielle Tarento, who works primarily as a small-scale commercial theatre producer in London, admitted in an interview conducted for this study that, since wages are one of the substantial expenses in a production budget, the payment of actors is often not a choice but "a question



of economics". In order to reduce financial risk and secure investors, she must demonstrate that the production can be profitable with no more than 60% of tickets sold. To balance the books, arts managers are often reduced to cutting the most negotiable fee – i.e. wages – and actors in particular tend to “understand the lack of funds”, as a survey respondent confessed. However, business-orientated Tarento is also ethically driven, and although she cannot always offer Equity minimum rates, the cast and crew involved in her projects all get paid no less than her own producer fee. In addition, the first 20% of any profits made is shared equally amongst the cast before she and her investors get their share. Owing to the commercial success of many of her past productions, there is always a chance that her shows will have a second more financially rewarding life, either on tour or on the West End – as one of our survey respondents points out: “Actors live on hope.” Even if her mixed business model does not guarantee fair pay, it provides paid work and seems to offer an ethically acceptable compromise.

Artistic director of the London Fringe theatre King’s Head, Adam Spreadbury-Maher, also considers theatre as a business, accusing arts managers who are not paying actors properly to run a “sick business” (Hutchison, 2015). Since 2011, King’s Head Theatre has been issuing Equity-approved contracts (Spreadbury-Maher, 2013) guaranteeing their staff to receive at least the NMW for every hour worked at the theatre. Unfortunately, however ethical and legal this model may be, in reality it provides actors with extremely low earnings. For example, performers who have six three-hour performance calls a week under a NMW agreement would earn £140.70 per week (based on the 2015 rate for workers aged 21 and over), which is hardly enough to survive in London and still far from the Equity Commercial Theatre Exceptional Minimum Wage weekly rate of £339.50 that Equity encourages all fringe theatres nationwide to adopt (Snow, 2014). But after re-entering in negotiations with Equity in 2015, Spreadbury-Maher has been offering actors a flat weekly rate of £275 with any extra hours paid at the London living hourly wage of £9.15, which is equivalent to a 38% pay rise (Hemley, 2015). His efforts have proven that it is financially feasible for an unfunded small theatre, with steep rental fees and no other commercial income streams, to legally pay actors. In 2013, Spreadbury-Maher has also founded the Hope Theatre, a 50-seat venue given to visiting theatre companies for free, providing that they use the in-kind value to pay their staff at least the NMW (Spreadbury-Maher, 2013). This is an attempt to counteract the financial problem arts managers often face; after paying non-negotiable venue hire fees and other production costs, they are left with little or no money to pay wages. Hope Theatre’s business model is sustainable thanks to multiple partnerships with downstairs pub owners – waiving rent and bills, King’s Head Theatre – providing administrative and front of house staff, and Soho Theatre – managing ticketing services (Merrifield, 2013a).

Elsewhere, a vast amount of projects in small-scale British theatre is advertised as profit-share. The profit-share model is fundamentally based on the cooperative business model, whereby each company member invests the same amount of money, is equally involved in the decision-making process and receives an equal share of the profits (Low Pay, No Pay & Rights Working Party 2011; Birkbeck School of Arts 2014; Merrifield 2014a). With no clear employer, the individuals working on the project are not considered to be workers, thus the NMW requirements do not apply. However, at its core is the difficult question of whether equality of pay is indeed equitable (LeGrand, 1991); for example, the actor who has stage time than the rest of the cast might expect a bigger share. Moreover, if actors have to spend their own money to make the work, it could be perceived as an amateur enterprise. Although it invites actors to become more versatile – for instance by developing producing skills – this model can also take their time and energy away from the creative process. Nevertheless, this model seems a good fit for this collaborative art form and a way of empowering actors to legally invest their passion in creating work for no guaranteed pay.

Gene David Kirk, artistic director of the Drayton Arms Theatre in London, successfully tested the model and launched the COOP Theatre in 2014 as an advisory body (Merrifield, 2014a). In an interview for this research, Kirk mentioned his intention to introduce a coop logo – similar to the *fairtrade* logo – which would

distinguish between this legal and ethical profit-share model and another model frequently used in the fringe theatre scene under the same name. The latter model, by which a producer casts actors in an unpaid production with the intention to share the profits with them at the end, is problematic because it gives actors worker status, thus legally entitling them to the NMW (Equity, n.d.a). It is also deceitful as profits made in small venues are likely to be minimal or non-existent. Manchester-based 24:7 Festival, a theatre platform for home-grown fringe theatre productions, used their Producers Information Pack in 2014 to raise awareness of the pitfalls of this model. However, the information provided shows that confusion remains amongst arts managers around the issue. On the one hand, it stressed the need to pay actors the NMW and encouraged producers to use the Equity fringe agreement, which states that “at least half of the production budget” should be dedicated to “the payment of fees, salaries and expenses of The Creative Team” (Equity, 2011). On the other hand, it claimed that: “If everyone understands and agrees at the start that they are happy to work in their own time, on a profitshare basis, and they have a happy, productive and useful experience, then you will have no problems with claims to employment tribunals.” (24:7 Theatre Arts Network Ltd, 2014: 23). This statement is misleading, as two recent tribunal rulings have proven that actors can file a claim for their NMW entitlement even after having *happily* agreed to work a *profit-share basis*. Arts managers who provide inaccurate and contradictory information contribute in misrepresenting actors’ rights and perpetuating the working-for-free culture.

It seems legitimate to think that the responsibility of making such ethical judgements largely lies in the hands of arts managers, but ultimately actors have the upper hand. Technology has changed the way actors take control of their careers with online casting services like Spotlight and Casting Call Pro. According to the latter’s 2012 Actors Survey, 70% of their members had found their auditions themselves. Without the intermediary of an agent, actors are better informed of what jobs are available on the market and thus better equipped to make their own decision as to whether to take unpaid work or not. Some believe that job-listing websites should not advertise work that does not meet the NMW requirements (Baluch 2009; Pyper 2014). In 2010, national public funding body Arts Council England suspended adverts of unpaid jobs from its website (Editor-in-chief, 2010) whereas private membership agency Spotlight continues to advertise unpaid opportunities after survey results revealed that 71% of its membership thought low pay/no pay work had a place in the industry, 66% were willing to take on the work and 50% wanted Spotlight to continue advertising these opportunities (Smith, 2013). This shows that as long as actors will respond to these unpaid job adverts, they will continue to prevail.

Many believe that actors who work without pay are subsidising the arts (Birkbeck School of Arts 2014; Hutchison 2015) and thus distorting public perception of the sector’s health (Carrot Workers’ Collective, 2009). Arts Council England (2015: 33) is “committed to making sure that artists are paid appropriately for activities [they] support” and therefore applicants to their Grants for the Arts are expected to include artists’ fees in their budgets. One of our survey respondents also expressed the importance of seeking funding in order to improve artists’ earnings: “As theatre makers, we should all also make sure that we are devoting sufficient time to fundraising and constantly exploring additional revenue streams to ameliorate the situation.” But theatre-makers do not always have the skills or an interest in fundraising (Wilmott, 2013), and some argue that forcing arts managers to pay everyone involved in a production could be detrimental for the sector (Baluch 2009; Wilmott 2013). For example, the non-commercial theatre scene could be reduced “to a diet of one or two person productions” (2013: 9) – as large casts become too costly – restricting creativity and further limiting the number of acting job opportunities. A decrease in public funding can accentuate the general feeling that the only way to continue to make art is by sacrificing pay (McRobbie, 2001). As one survey respondent noted, “if nothing got made unless it was fully funded, the range of work and amazing things being created just would not be the same.”

The fight for actors' rights to fair pay hides a deeper ethical debate between the arts managers' responsibility towards equity and the well-being of actors, who play an instrumental role in the making of theatre itself, and their responsibility to produce work that will keep the arts scene diverse and vibrant.

## **Conclusion**

"It's very worrying that [unpaid labour] is now so commonplace." With 96% of respondents of the online survey conducted for this research admitting to having worked for no pay at some point in their acting career – nearly half having done so in 2014 – it is clear that working for free is still a widespread practice in British theatre today. Taking a deeper look at the economic, legal, ethical, social, psychological and artistic contexts surrounding free labour helped understand the reasons behind the issue, how actors deal with it and how it shapes the sector. Self-employed actors, who are faced with low or no pay and precarious working conditions notably due to an oversaturated market, have tendencies towards self-sacrificing and favouring intrinsic over monetary rewards, which perpetuate the practice. Although many grey areas surround NMW requirements within the entertainment industry, employment research and tribunal rulings show that it is seldom legal not to pay actors for their work.

The survey conducted for this research revealed that nearly 100% of actors consider fair pay to be important. It is difficult to say whether the prominent discourse generated by Equity, industry press, tribunal rulings and actors' forums and weblogs in the past few years have had an influence on the way actors reflect on their working conditions today, but a significant shift away from the working-for-free culture transpired in the survey. Attitude towards fair pay for actors is also changing amongst arts managers, as ethical theatre-making models are being implemented in the capital. But sadly, there will always be an imbalance between the number of actors determined to succeed and the market's capacity to supply paid work. Together with a £457 million cut in Arts Council England funding between 2011 and 2015, and further threats of cuts in the near future, the scene is set for unpaid labour practices to remain an issue.

If free labour is to persist as a necessary evil in the entertainment industry, there would be a need for researchers to evaluate that a good balance of paid and unpaid opportunities remain available to actors across every stage of their professional development. A step has already been taken in this direction as Equity (2015) recently called upon their members to complete a monitoring form each time they take unpaid work, so that data can be compiled and analysed. Good practices, such as accounts transparency and written agreements, should also be adopted by producers, so actors do not feel exploited. Gatekeeping mechanisms could be tightened at the source, as a reduction in the number of drama graduates could help bring down the supply of actors to match the demand. Performing arts schools should also educate future actors about their working rights, so they can make informed career decisions, whilst future film and theatre producers should be taught how to fundraise and to budget for actors' fees. These are all ways that could feasibly be used by the sector to control and ameliorate the issue.

In five centuries, general perceptions of actors have progressed from outcasts to superstars (Cairns, 1996). But however glorified the industry is presented in the media, in reality the majority of actors deal with rough working conditions and financial struggles. Can perceptions of actors continue to change towards better remuneration of their skilled labour? Or will the working-for-free culture continue to preside over actors' access to professional career opportunities? Only time will tell; but until the government put policies in place, artists and their advocates will be fighting their corner alone. Politicians are starting to pay attention to the debate, as shown by new Labour leader Jeremy Corbyn's inclusion of a chapter on "tackling exploitation in the arts" in his arts policy document published in 2015. Nevertheless, as more and more arts managers carry out change at a local level, it is critical to monitor how these new business models will affect the level of diversity and innovation found on the London artistic scene, before more significant change is implemented on a national or even international scale.

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## Making heritage more valuable and sustainable through intersectoral networking

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### Abstract

The subject of this paper is to show the importance of inter-sectoral and partnership activities, and added value of the heritage. The main goal is to emphasize the importance of the inter-departmental relations and forms of participatory governance that contribute to each pillar of sustainable development, in particular by activities related to the: preservation, conservation, restoration, greater visibility and valorization of the natural and cultural heritage. The work mainly rely on a qualitative analysis of previous empirical scientific research and practical examples of successful Worlds cases. We think that it is necessary to complement the operation of theory, practice and public policy papers, as well as international recommendations, to make all the relevant phenomena considered, so we will try to do that in relation to the subject and main goal of the paper. Paper reflects basic theory, examples and best practices in order to capture the importance of partnership strategies in participatory governance, with active participation in the decision-making process in order to make heritage more valuable.

Our main hypothesis is: Long-term preservation of heritage seeks for necessary interdisciplinary approach, and the actual market visibility by linkages of diferent departments such as: culture, economy, CCI environment, society, through responsible forms of tourism (eco-cultural).

### Introduction

We are facing various different global challenges. This especially refers to the financial challenges, but also inadequate management solutions. With the respect to mentioned, the countries in the post-transition period are often characterized by different but similar *transitional diseases* such as: sluggish bureaucracy and lazy administration; unemployment, poverty, corruption etc. (Kocovic and Djukic, 2015). Traditional organizational structures, mostly public institutions, whose mission is managing of heritage, are faced with problems that require the search for new solutions, approaches and models. New direction would allow shared

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responsibility between different sectors and departments on topics such as protection, management and valorization of cultural and natural heritage. The contemporary world is characterized by extremely fast development and experiencing, and consequential structural changes, which have high impact on societies, economics, governments and public administration (Farazmand 2004a, 2004b; Kocovic Đukic 2015).

As authors we were considering previous researches and supported by theories<sup>4</sup> and practical approaches. There is still quite a bit of practical and scientific space to connect the fields, in order to achieve better valorization and use of heritage as a common good category. In this sense, we are able to point on the possibility of heritage to hold it's old and create the new value(s).

The paper will confirm that the value of heritage becomes more clear, visible and pragmatic category, through the operation of alternative forms of responsible tourism – eco-cultural, CCI, and various forms of social entrepreneurship and business in lateral branches (that are not strictly related to heritage). Previous mentioned also indicates on the flow of socially responsible creation of value, assuming a greater involvement of local people in all processes. This opens up opportunities for positive growth of socio-economic and socio-cultural indicators, with balanced development of heritage.

Our main research questiones are:

1. How to manage heritage – as common good, to provide the preservation of its existing values, with achieving added values?
2. Whether the better horizontal interconnectedness (of: sectors, departments, branches), lead to the higher value of heritage?
3. Does the synergy achieved from lateral branches can contribute to the sustainable development heritage and its higher value?
4. Is it possible to answer on these questions by our proposed model that includes participatory governance with linking strategy, strategy of diverfication through creation of new products, and risk management to minimize negative impact of risks that toreate heritage?

## **1. Theoretical review on value of heritage as a common good**

The heritage belongs to a category of common goods. This means that for heritage existence all the people have equal responsibility. As Throsby emphasizes natural and cultural capital are determined with very similar elements, and it is - analogous to developmental principles relating to the sustainable development of the environmental dimension. It is possible to carry out cultural and sustainable criteria, which are based on principles: Inter-generational and inter-generational equity; importance of diversity; precautionary principle; interconnection. The principles that Throsby (Mikic 2015) defines, can be seen as a checklist for assessing the rate of development policies, which will provide cultural sustainability.

**Table 1 - The similarities that define the natural and cultural heritage**

<b>Natural capital</b>	<b>Natural resources</b>	<b>Biodiversity</b>	<b>Natural ecosystems</b>
<b>Cultural capital</b>	<b>Cultural richness</b>	<b>Cultural Diversity</b>	<b>Cultural Networks</b>

Source: Local Development and Creative Industries (Throsby and Mikic, 2015).

The similarities of natural and cultural heritage are more than obvious. Both types of heritage fit into the category of common and mixed properties. This means that these goods belong to everyone and that it is necessary to ensure their long-term survival, and also that they can be managed by numerous of sectors.

The attempts of capturing the value of heritage are given from the different theoretical perspectives. In a

<sup>4</sup> Such as: economics, cultural policy, cultural management, anthropology, tourism.

pragmatic sense value is seen by the classical economic theory, as a category conditioned by factors of production. In the context of protected areas and natural heritage, Drašković (Draškovic, 2012) states that the value of protected areas can be viewed through two basic theoretical economic perspective: classical and neoclassical. In the classical theoretical sense value consists on the factors of production (especially land), labor and capital creation (ie. Its material form). Following on the above, the classical economic theory in a similar way can be applicable to the cultural heritage and expressions, with some modifications. Factors of production, would refer to the creativity of the creators, and their work in this context produces a value that despite all aesthetic and ethical, would also have material form. According to Marx's labor, theory of value says that the only creation of value comes from human work, where by the same theory, unpaid work represents the excess of the value and source of wealth. Liberal or neoclassical economic theory puts into the focus of value analysis the free market concept, where the value is determined by free choice and motivation of the individual. Economic perspective requires the principle of rarities during (e)valuation process. According to this principle in relation to the the character of rarity and uniqueness, value becomes attributed by cash equivalent. Previously mentioned is particularly important for heritage and its management aspect. In the context of the natural and cultural heritage in terms of their uniqueness, rarity and universality the protection mechanisms will grow – and they are directly related to the (e) valuation. Finally value of the heritage and perception about it is influenced by non-economic / intangible values contained in the natural and cultural heritage. Mentioned non-economic values in conjunction with economic values affect the final evaluative perception (Kočović, 2016). Extremely important in recognizing the value of heritage, is to capture all the indirect values that heritage can provide. Draskovic (2012) states that in the case of continual values in nature (ie renewable resources: solar energy, light, wind power, energy/water power), these values do not have immediate market value and they cannot be traded. Simultaneously, we can say the same for cultural heritage. Although there is no clear market valuation model, for these values it is almost axiomatically assumed the necessity of requirements for the creation of other new indirect value(s), which can result from the foregoing. Many authors indicate the immaterial aspect - the intrinsic value expressed through the experience of the viewer. McCarthy in this sense speaks about the *state of absorption, or focused attention* (McCarthy et al., 2004), which comes as a deep satisfaction emerged as a product of interaction with the artwork or cultural experience. Silverman (Silverman, 1993; 1995) refers on the intangible aspect of the value as *the capacity of man to explore the personal meaning*, through the disclosure of personal belief among the universal truths. Nozick introduces the significance of *core values* (Nozick, 1981) noting that some things have value only as an aid for something else that has value, while some things have value as its own internal featured category of intrinsic value. According to Nozick, the concept of core values is an essential, while other types of of values exist only in relation to the essential. Nozick's arguments that references to essential of values, refer to the unity-in-diversity (as the basis of core values); scientific value; the value of ecological systems, as well as the value of mind and body in the unity of thought (Nozick, 1981). David Graeber is committed to observe the society as an active project, and value as the imaginary and creative potential and action. In this way the value as category receives a broader sense of the potential for action (Graeber 2000; Bhaskar 1998; Munn 1973; Kisić 2014). Greber believes that it is necessary to find an adequate model that will allow the analysis of value, to avoid the disadvantages that are related to the value as a fixed category. Therefore the realization of value through the ideal that heritage itself is, assumes the existence of people's awareness about the heritage. It also assumes an understanding of the use of heritage and appreciation in order to preserve it. When (Scott, 2011) speaks of *intangible experiences*, Scott states that these include some of the most important dimensions of life: love, longing, inspiration, joy, excitement and pleasure, adding that these experiences cannot be always sensually perceived, although they are present in our daily life. Some authors also point to the collective aspects of social evaluation heritage. In this sense, the symbolic value is created through culture expression and social meanings (Holden, 2004) and

through social connections, connecting people (McCarthy et al, 2004), reinforcing the sense of unity and identity (Holden, 2004). Capturing and measurement of intangible values is the subject of operation various fields, including community development, private sector, government and museums (Scott, 2011).

Thus, the relevant institutions that are responsible for heritage (such as cultural organizations, national parks, tourist organizations and others), with the necessary inter-sectoral and cross-sectoral approach will contribute to the discovery of intangible values and clearer direction in the management of heritage in order to achieve sustainable development of cultural and natural heritage. Better horizontal connection (inter-sectoral inter-departmental) will provide a favorable socio-economic and socio-cultural effects. Values are closely linked to the protection of heritage. Since the culture and tourism correlate with other economic and non-economic sectors and operate within a given system, it can be concluded that the ratio of these two sectors should be based on partnership, networking, collaboration, linking culture sector, as well as internationalization and decentralization as forms of strategies for connecting them (Vićentijević and Kočović 2016). This is also the reason why new approaches should seek for better integration of disciplines, in order of achieving survival of heritage in long terms - ie the sustainable development of the same. This approach enables the identification of heritage value through hierarchy of importance, in relation to the type and priority of protection.

Certain guidelines for protection activities were mainly given by the relevant international bodies. These guidelines were later introduced by States Parties into their national legal frameworks. It is notable that legislation seeks to make better definitions of relevant terms, as well as to determine the (minimum) of direct participants in the process of protection and the specific activities. Accordingly, the management activities for the organizations that implement protection are defined by the laws. This is why management of heritage should have an integrative character. This implies that different approaches and disciplines must interact with each other, exactly through legislation (it would be good and clearer through explicit public policy, and implicitly through the horizontal connection), to make the protection process flow smoothly over time. Therefore, questions concerning the protection and values, they must be modernized in time, with the development of other laws, programs and policies that directly and indirectly affect the heritage, creating a favorable environment for the protection, promotion and use of heritage.

Accordingly, the value is determined by the willingness for someone to pay goods or services. Both approaches have drawbacks, because they would open the problems of evaluation of: nature, water, air, land, culture, art. While classical theory emphasizes labor costs and manufacturing (focus on offering), neoclassical theory emphasizes the importance of market mechanisms, and consumer behavior (focus on demand). In the context of the current neo-liberal economics, where subjectivity plays a decisive role in the choice of purchasing / consumption, the main question is:

- How to adequately achieve measurement of the value that is almost abstract phenomenon (due to the nature of value that assumes a layered set of intangible values)?

Answering on this question is close to finding optimal management solution. One of the starting points, to finding adequate solutions for the management of heritage, may be required in the new institutional economics (NIE). The new institutional economics (NIE) Klein perceived as an interdisciplinary enterprise that combining economics, law, organizational theory, political science, sociology and anthropology, in order to understand the institution's social, political and commercial life (Klein, 1999). The author also states that the basic language of NIE is economy, although NIE relies on other socio-humanistic scientific perspectives. The main objective of the NIE is reflected in determining the nature of institutions, their purpose, appearance, disappearance, and needs of reform in changing conditions.

Therefore, we can deduce that heritage (natural and cultural) has many similarities, both in the evaluation because they abound in intangible values, which is easy to feel. However, challenges arise in attempt to quantify intangible values and find management solutions. Due to the foregoing, studies related to the value

of intangible aspects were often dependent on the qualitative research. Qualitative research through the examination of specific behaviors, preferences, subjective evaluation and experiences of subjects, giving results, which indicate the importance of intangible elements of heritage values. Drawing on qualitative research, it is possible to discover the essence of the consumers needs, which is useful for forming the products on the supply side such as of new eco-cultural tourism products and routes (that will be discussed below).

## 2. Importance of hybrid scientific fields for affirmation of heritage

In the following text, there will be more words about the value of heritage as a resource, as well as importance of interdisciplinary approach in managing heritage. We will try to point out the important relationship of cultural and natural heritage with other sectors and branches, especially the economy and culture, and also economy and alternative forms of tourism (such as: Creative and Cultural Industries - CCI and eco-cultural tourism). With the aim of practical attempts to evaluate heritage, large number of scientific fields in synergy with the culture and ecology, evolved into the new hybrid disciplines. Culture and ecology are the subject of interest of many scientific disciplines. Over time, the researches came to the point where application of elements of the economy to the basic disciplines / sciences (Culture and Environment) were necessary. Cultural economics from the beginning have been causing controversy, from both perspectives: culture and art theorists, and from the perspective of the classical economists. Economists perceive this area as a lateral branch of the economy, in which they are not interested too much. We think that the reason for this situation above all, finds its stronghold in theoretical and practical ignorance, because creative expressions and capital have great economic potential. On the other hand, theorists of culture and art often mystify economy as a science, by seeing in economy only purpose - as the monetary expression of value and making a profit (it also indicates an enormous ignorance). The bright side is reflected in evident facts, that listed doctrines are conciliatory. Mentioned is supported by the reflected facts that are visible through: scientific and practical existence in the context of the "newer disciplines" that were hybrid developed such as CCI and eco-cultural tourism. As we could see, the direction of development new hybrid fields have hint in the mid-eighties. Author Van Beetz (Van Beetz, 1988; Isak, 2008) cites three factors that suggest that culture, like any other branch is the product of economic activity. In that sense culture is an important determinant factor that makes:

- the location attractive,
- convenient transport, and accessibility,
- good conditions and opportunities for employment.

Considering that the three criteria together have beneficial effects on the quality of the living environment and a place to live, work and creativity, Van Beetz in a way was futurist, talking about a phenomenon CCI. The existence of real needs have encouraged interests in professional public from various disciplines, as well as international organizations (EC, UNCTAD and others.) to accelerate the process of maturing discipline CCI / ( as a unifying approach to the creative and cultural economy, ie – industry ). Scott and Florida at the beginning of the 2000s started extensively development of concept about *creative class*, which applies to all who are engaged in creative works (Florida 2004; Scott 2008b), and the possibility of urban development of the region through creativity. Authors often report intensive impact, when they speak of the creative industries. CCI irreversibly reflect more and more innovation and design than other industries (Lash et al. 1994; Flew 2009). A growing cultural and economic discourse that are intertwined is topic for many authors (Yúdice 2003; Throsby 2008; Flew 2009). Throsby, as one of the most important authors, scientist and expert, insists that cultural policy must find its place in every respectable economic policy. Throsby is trying to reaffirm art and creative work in today's time through referrals. His work aims to ensure the successful survival of heritage in time. In that sense, Throsby insists that art should be relying on economic

knowledge, because it is seen as part of a broader economic dynamic images created in turbulent changes. Throsby points that art is part of a wider and more dynamic spheres of economic activity, which links to the information and economic knowledge that encourages creativity, new technologies and feeds innovations (Throsby, 2008). Rami Isac (Isac, 2008) states that the rich diversity of cultural events with their interdependencies creates an environment in which innovations are occurring and where the advertising, marketing, design, fashion and media - feel like home.

Summarizing the theoretical and empirical findings, we can say that natural and cultural heritage, indirectly are creating value by providing a direct condition for the creation and design of new creative and cultural expressions, the economy based on knowledge and innovation as well as new forms of tourism. This direction also presupposes socially responsible creation that creates values, assuming greater involvement of local people in all processes by opening up opportunities for positive growth of socio-economic and socio-cultural indicators. More about positive impact of heritage, will be given in the sequel.

### **3. Non-economic and intangible elements of heritage that makes positive economic effects through synergy of CCI and eco-cultural tourism**

In the process of building heritage as the headquarters of stable, clear and strong values, it is necessary to take into account all economic and non-economic values. It is much more important to put stronger importance on non-economic values, since they are much more difficult to discover.

The Canadian International Development Agency (Canadian International Development Agency, Lavergne and Saxby 2001; Scott 2011), emphasizes the significance and role of detecting and intangible assets, as an integral part of providing community capacity. Moreover, the capacity of society to meet the needs of members depends on the available resources, but also the manner in which these resources (funds) are used (Lavergne and Saxby 2001; Scott 2011). Thus immaterial aspects of heritage lets community meet its human and social potential with maximum use (mutual interaction, learning, consuming heritage through institutions and non-institutional ways) ensuring greater social cohesion. In the business sector, non-material aspects are seen as drivers of economic value creation, directly this means - the importance of investment in their development (Youngman 2003; Jarboe 2007; Scott 2011; Borseková et al., 2013). In the nineties Governments on global level, recognized the role of intangible values, and formed national indicators that focus on the individuals, community and their welfare. These indicators appeared in response to the former global approach that quality of life is measured solely by economic categories (such as growth, fiscal and monetary stability GDP).

In this respect, development policies are increasing their focus at the inter-sectoral and interdepartmental operation of cultural and other social areas, including community building and individual well-being, through various forms of participatory activities (Jensen, 2006). To ensure the socio-economic and socio-cultural development (through building social capacity and greater cohesion) it is necessary to incorporate environmental and cultural indicators in the context of broader social indicators and economic policy frameworks. According to the European Commission, culture and creativity have a direct impact on diferent departments (such as eco-cultural tourism), representing an integral part of the value chain sector and other departments (such as fashion and other industries based on innovation), whereby their character (operation CCI) is recognized as key for economic development, because it is growing (European Commission, 2012).

Positive effects that derive from investing in heritage do not necessarily have a monetary value, but generate direct and indirect values, through spillover effects (Dražković 2013; Mikic 2015). The Flaming indicates that the spillover effects can occur in the form of transfer of knowledge, economic growth and networking (Mikić, 2015). Transfer of knowledge assumes creative work that encourages new ideas and continuity in innovation. This situation provides economic growth by creating new jobs and a favorable business climate, employment growth, a review of existing and creation of new business models, which will

allow greater cross-sectoral and cross-sectoral cooperation, thus ensuring concentration of certain jobs through networking (creative, ecological activities). Mikic indicates a positive relation of investing in the creative sector, with socio-economic development by recognizing three groups of effects: *effect of multiplication, accelerator effect and gravitational effect* (Mikić, 2015). The multiplier effect indicates the strength of investment in CCI, which is reflected in the growth of income and employment levels of the local community. Accelerator effect, indicating the favorable impact of investment in CCI to the growth dynamics of the local economy and its diversification. Gravitational effects occur in the long term and affect the improvement of quality of life, attractiveness of the region, improving the business climate, etc.

For greater visibility of the cultural and natural heritage, better perception, experience and valuation of consumers, we think it is necessary to encourage visits, by increasing understanding and visibility with the operation of the CCI and eco-cultural tourism. Since elemental base of CCI and eco-cultural tourism makes the same common denominator - heritage, we can say with great certainty that the same effects are valid for eco-cultural tourism. Also, these effects will inevitably (especially the multiplier effect) lead to positive socio-economic impacts in both fields of action (CCI and eco-cultural tourism). In her research author Murzin (Murzyn-Kupisz, 2012) drawing on mentioned studies of other authors, she stated that tourism multiplier effect takes place when the visitors of heritage spend money not only directly on heritage (direct economic effects) but also in various lateral departments that support tourism services. In this case, the consumption is taking place in the retail (accommodation, transport, cosmetics and medical services, sports, spa, handicrafts, souvenirs, food and beverages, books, photos, articles, etc. products KKI) leading to indirect and induced multiplier effects of tourism (Murzyn-Kupisz, 2012).

Natural and cultural heritage should be treated by integrative approach with the creation of new ways to use (new products). In this way, alternative forms of tourism such as eco-cultural tourism in cooperation with CCI can comprehensively treat heritage, contributing to their sustainable development and the creation of added value. Not only that this integrative approach is envisaged by many relevant international UN bodies (through integrative forms of governance by IUCN and UNESCO conventions and recommendations), but there are very good examples of world practice. In some countries the total coordination of cultural and natural heritage is done by one institution (either as direct control or as a supervisor - coordinator).

**Table 2 - Examples of integrated management approaches of natural and cultural heritage**

Country	Management (steering)	Jurisdiction
New Zealand	Department of Conservation ( <a href="http://www.doc.govt.nz">www.doc.govt.nz</a> )	Concern for heritage, through activities: Managing natural and cultural heritage, protection of species, restoration of the city, Monitoring and reporting, risk management, mapping and data collection, propose new protected areas.
Canada	Office of Parks Canada (Parks Canada: <a href="http://www.pc.gc.ca">www.pc.gc.ca</a> )	Caring about the various heritage subjects, divided equally into 3 categories: National parks; National historic sites and national marine environments.

United States	National Services - National Park Service (www.nps.gov )	Caring about national parks that include natural and cultural heritage (sites with historical and cultural contexts of archaeological sites, monuments, memorial continents, places of important events. Under their supervision are museums such as Museum of Immigration (www.nps.gov/elis/index.htm ).
Republic Srpska	Republic Institute for Protection of Cultural, Historical and Natural Heritage of the Republic of Srpska (Www.nasljedje.org )	Equally concerned about the treatment of natural and cultural heritage.

Source: Krivošejev (2014: 164).

Objectives on cultural heritage are given in report Getting Cultural heritage to work for Europe by European Commission. Report argues that the EU should vigorously promote the innovative use of cultural heritage for economic growth and jobs, social cohesion and environmental sustainability. Three main objectives, by tree basic sustainable pillars are:

1. Economy: Promoting innovative finance, investment, governance, management and business models to increase the effectiveness of cultural heritage as an economic production factor. Society: Promoting the innovative use of cultural heritage to encourage integration, inclusiveness, cohesion and participation. Innovative use of cultural heritage has the potential to actively engage people - thereby helping to secure integration, inclusiveness, social cohesion and sound investment, all necessary ingredients of smart, sustainable and inclusive growth.
2. Environment: Promoting innovative and sustainable use of cultural heritage to enable it to realize its full potential in contributing to the sustainable development of European landscapes and environments. Cultural heritage plays an important role in the sustainable development of rural and urban cultural landscapes. (EC 2015; Kocovic and Djukic, 2015).

With aim to point on possibility of heritage to create jobs, cohesion and participation, EC suggested four actions, that rely on their findings, and also grate examples.

1. Heritage led to urban regeneration,
2. Sustaining Cultural landscapes,
3. Inclusive governance,
4. Innovative business models for cultural heritage (EC 2015; Kocovic and Djukic, 2015).

What applies to all activities that it is desirable by their recommendation is to take into account 30 best practices, and base on their findings create good specific model. Everything they suggested is about and with an aim to increase knowledge; building capacities; job creation and growth, improving quality of life on local level; stronger and better link among actors; experimental and creative approaches; use of new technology; re-use etc. Relations between culture and the environment are inseparable, and it is easier to spot them through human creativity and action. Nature represents a kind inexhaustible inspiration for creative actions (similar as culture), while the creation of man in cooperation with nature creating a new culture, that relies on the existing one. Because of this natural and cultural heritage, as a unique and authentic common goods represent deepest relationship with someone's affiliation (locally, regionally,

nationally speaking) and identity. A mainstay of our research emphasizes the importance of consolidated managing of common goods (cultural and natural heritage) with respect to economic and non-economic elements of values. We consider this can be achieved through building better connected horizontal model (as a new system solution), which will include as many lateral branches of the total economy. In this way, inter-sectoral and interdepartmental linkages can be achieved (through the strategies of linking and partnerships), with a large number of participants who will address issues related to the heritage. This scenario we find the most close to the achievement of sustainable development of heritage with new created and added economic values (Kocovic and Djukic 2015).

#### **4. Modeling the new system solution that contributes to a better valuation of heritage and its sustainable development**

During extensive research for the purpose of doctorate: *Contribution of eco-cultural tourism to sustainable development of protected areas with associated cultural and natural heritage*, one of the authors of this paper Milica Kočović came to recommendations, we rely on. We think that modeling of any new system solution that is connected with heritage, should take into account some of recommendations that are useful, and that will be presented shortly in this paper.

New system solution for managing heritage in order to achieve sustainable development and new creation of values, should include tree recommendations:

1. Participatory governance of heritage with linking strategy and partnerships,
2. Creation of new products, that rely on heritage,
3. Risk management of heritage and visitors (Kocovic, 2016).

Participatory governance (PG) occurs as a response to the problems that characterize transitional societies in developing countries. The way in which PG provides its positive impacts on vulnerable society's shocks is through the higher transparency, active multi-sectoral cooperation, fair distribution and greater inclusion of local people (Kocović, Djukić 2015). It is also the way to achieve greater equity, through decentralization of power, management, decision-making and accountability. Community-based organizations (CBOs), local governments, and deconcentrated sectoral agencies, as well as private organizations such as NGOs and firms, should be linked more coherently in order to support improved empowerment, governance, service provision, and private sector growth. A spatially framed approach, which links such local organizations through their respective roles and relationships at local government and community levels, promises to improve coordination, synergy, efficiency, and responsiveness in local development processes (Kocovic and Djukic, 2015). PG as we see it, as a means is the system solution to meet the goals. Partnership is a strategy that assumes connection of public, private and NGO sector, without which it is impossible to encircle socio-cultural cycles and achieve above mentioned goals (Djukic 2010; Kocovic and Djukic, 2015). We see linking strategy (read partnership) as a basic support of integrative management. From a theoretical point of view linking strategy is often implemented to facilitate provision of financial resources and better international acceptance and recognition of participants. From the perspective of cultural management, this strategy is primarily related to productions; from the standpoint of cultural policies it implies a partnership of public, private and NGO sector (Djukic 2010; Kocovic and Djukic, 2015). Thus, this strategy from the standpoint of any public policy, is being implemented in order to facilitate financing (which is a very critical point when we talk about issues related to: culture, heritage, ecology, tourism, traditional crafts, social entrepreneurs, as well as an integrated activity of those different departments) (Kocovic and Djukic, 2015).

Efficiency and effective public sector demands horizontal changes and interactions between national agencies, local governments and other organizations that share governance at the local level, so policy coherence and technical competence will be ensured. This will lead to creation of opportunities for greater local discretion and stronger accountability. All stakeholders at different levels in a participatory approach



should take part in the decision making process. New system solutions with more integrative management approach with the desire to achieve synergies requires strengthening the power of all local actors. The field of cultural heritage management demonstrate a very wide range of activities and types of engagement with diverse social groups and diverse types of heritage, achieving a multiplicity of outcomes and impacts. The authors done very important job showed in publication, where it is possible to see more details about projects *Mapping of practices in the EU Member States on Participatory governance of cultural heritage to support the OMC working group under the same name (Work Plan for Culture 2015-2018) (EENC, 2015)*. Based on examples of good practices in represented examples, we could see that all of the good participatory governance practices are characterized by more flexible institutional approach (towards cultural institutions, museums new variants). Creativity, multidisciplinary approach, innovation, participation in decision-making processes and creation of strategies as an integrated process of relevant parties is very important. Multi-sectoral partnerships, with continual educative learning programs with the aim of increasing and built the total capacities (Kocovic and Djukic, 2015).

Table 3 represents selected examples of good practices, where activities from projects are focused on natural and cultural values and heritage, mostly trough area of ecotourism and eco-cultural tourism.

**Table 3 - Examples of good partnership projects in area of alternative forms of tourism**

Example/ Country	About project	Impact	Target
Queensland, Australia, Kuranda Skyrail Rainforest Cableway	Example of best practice of construction techniques, Cableway in national park. 114 gondolas, 650 passengers per hour, winning numerous awards.	Local community-capacity building, heritage preservation.	Visitors, locals
Australia Quarantine Station, New South Wales	Example of with public-private partnership. Infrastructure is partly rented for eco-tourism.	example of good practice environmental protection system management. Space of 30 hectares which includes 65 buildings, over 1000 stone inscriptions and images, heritage for diferent endangered species	local community, visitors, stakeholder management approach
Australia Sal Salis Ningaloo Reef	Partnership - a private project at the National Park. Assumed creation of the camp, 9 tents, according to environmentally friendly principles	example of good practice in the design, construction and management. Sal Salis aims to create minimal impact on the environment	local community, visitors, stakeholder management approach. „experience the untouched natural environment and marine life“.
Costa Rica, Lapa Rios, Osa Peninsula, Central America	private nature reserve on about 1,000 acres, 16 private bungalows framework NP, walking trails through the rainforest and stairs connecting the main building with all the bungalows. Objects are made of local materials, and was designed in accordance with the environment.	International good practice example Local Area community involvement and benefits for the community, in addition to the national park	local community, visitors.
Namibia, Damaraland Camp,	Owned by the local community on 80 acres, 10 straw tents and a main building.	management and restoration of	local comunity, visitors.

Huab River Valley	international example of good practice in community owned property. private-civil partnership. An example of how eco-tourism contributes to local community.	ecological values in a protected area	
Kenya Ecotourism Association	The protection, preservation and investment in the environment; Responsible use of resources such as land, water, energy, culture;	Responsible Tourism Investment in human resources (staff and locals) and empowerment local people	local sommmunity, visitors.
Vanuatu	Development of eco-cultural tourism strategy stakeholder approach, participatory governance.	"Tourism celebrates local culture and nature, empowers local people and visitors to the island binds".	local community, visitors.
Old Phuket Town, Phuket City Thailand	Preserving Old Town Architecture Reviving Traditions and as Tourist Attraction and Economic Driver Partnership; thematic areas: (1) people's participation in planning and decision making; (2) institutional governance; (3) inclusive of urban public services with a focus on urban areas; and (4) improve fiscal governance and investments.	(DELGOSEA) which involves the identification and exchange of best practices	local community and visitors governance and strategies to support investment.

Source: Selection on the basis of case studies (Kocovic, 2016). Selection is based on: *Best Practice Ecotourism Development Guidelines 2015*, *Strategy for the Development of Eco-cultural Tourism 2014 in South Pentecost*, *DELGOSEA 2015 Muriithi*, 2013.

Table 3 shows different examples related to projects mostly within protected areas, guided by different types of strategic partnerships and participatory governance. Management recommendations from these examples are primarily related to protection of Heritage; new forms of participatory governance and strategic partnership, which aims to empower local communities; experience for visitors. Eco-cultural tourism and similar alternative forms of tourism, individually and in synergy with the CCI contribute to sustainable development of natural and cultural heritage. Their positive impact is visible on the scale of local community, and the development of local level. In relation with the above we will present few more examples of good practice:

1. *Hidden Valley inn Reserve* is a private reserve with a number of innovative tourism products, based on natural and cultural heritage. It creates economic opportunities to strengthen local communities through the presentation and promotion of heritage. This is an example of a good set of sustainable tourism. This is example of the business model of a successful resort that maintains harmony between conservation, community, culture, nature, tourism and trade.
2. *Feynan Ecolodge* is located in the largest biosphere reserve in Jordan - Dana. Their objectives are focused on the contribution of local socio-economic development in total harmony with the environment, through the use of renewable energy sources and development of sustainable tourism (based on cultural and natural resources). Support to sustainable development is achieved through supporting activities for 4 pillars: (a) the sustainability of ecologically clean environment; (b) interactions with indigenous peoples (Bedouins) through the leather workshops and promotion of cultural values; (c) maximization of renewable energy sources, waste is reduced by 60%; (d) employment of local community accounts for 80% of total employees by development of various forms of social entrepreneurship. It is interesting that they made fund created of realized profit. Profit is entering into a fund for conservation of biosphere reserves, and the creation of new jobs.

3. *Fegato Private Island* used to be coconut and cinnamon plantation destination, that depleted by 1960. because of strong economics focus on production. This led to the destruction of 90% of vegetation and destroyed habitat. Systematic management process of recovery and re-colonization of habitats of plant and animal species, led to reconstruction around 70-80% of the island. Focus was placed on the field of conservation, resource management, economic and social development for the local population. Undertaken activities are made to ensure better working conditions, health care, the provision of credit, production of organic food; raising awareness about healthy nutrition and the environment; preservation of indigenous plant and animal species, improving energy efficiency; promotion of renewable energy sources; new jobs, decent salaries. Culture in this case remains at the level of intangible - old knowledge, traditions, local flora cultures and ways of tillage.
4. *Huang Shan Scenic Area Administrative committee* rated as China's top tourist spot with geological formations, beautiful landscapes and cultural richness. This project gained a certificate ISO14001 for environmental management in 2008. Also, project won international awards for outstanding achievements in the management and promotion of eco-tourism and conservation of landscape culture.

Selected examples support our research question that the lateral branches (or responsible forms of tourism and CCI) contributes to the conservation and preservation of heritage, with a focus on community development and local economic development. We could also see, that responsible types of tourism can make heritage more valuable. Eco-cultural tourism practically represents a model for the creation of new tourism products and routes, which combines natural and cultural heritage as an authentic resource (Kocovic, 2016). As such, the eco-cultural tourism receives conditions for further development, because it draws potentials of heritage. It also through touristic offer and synergy with various forms of social entrepreneurship and CCI (through creative work) has the power to mitigate the disadvantages of selected spaces rich by heritage. Amortisation of disadvantages is based on the ethical element that represents the base of eco-cultural tourism. Mitigation of disadvantages, also leads rounding process – that returns to the heritage necessary conditions for development and creation of additional value. Through the care of the heritage, that implies the potential for creating new products and services (eco-cultural tourism, CCI), it is possible to ensure the sustainable development of heritage. Eco-cultural tourism, as a responsible type of tourism, favors initiation intersectoral forms of cooperation, conservation and valuation of heritage, spreading awareness about important social issues, and socio-economic development in general. Eco-cultural tourism, as a responsible type of tourism, favors initiation of intersectoral forms of cooperation, conservation and valuation of heritage, important social issues, and socio-economic development in general. Although socially responsible issues are often the domain of the public sector and civil society, private sector can contribute just as good to the ultimate objective of sustainable development through partnerships and participatory forms of governance. Related to this, Table 4 shows the good examples of private sector contributions to the sustainable development, with added a fourth pillar - which refers to the culture.

**Table 4 - Contribution of private sector to the sustainable development**

Project Name / Location	Focus / Objective	Social Impact	Cultural Impact	Ecological impact	Economic impact
"Crosswaters Ecolodge," China, forest reserve, The world's largest commercial project of 2010	development of new products from bamboo, eco-tourism, community	communities are actively involved in the management process from the beginning	The project is planned in harmony with the environment and landscape, traditional	strong elements of respect for nature, natural building	focus on local engagement, great chances for the local economy.

with bamboos			knowledge and skills		
"Air New Zealand-Environment Trust", New Zealand, Environmentally responsible business	"Children restorers" "Clean and Green", reduce pollution levels by 15%, biofuels, conservation	Spreading awareness concerning the protection of heritage, especially focused on children,	an integrated approach to land management protection of local cultural landscape of Maori and their culture	Numerous projects of conservation of the biosphere (plant, animal species, nature)	Not in focus
"The Bushcamp Company" - Zambia, national park Lungava,	conservation company founded with the goal of building a safari camp	Conservation, benefits to the local community, fight against poaching, financing 2 local schools, provides transportation services for children, providing medical assistance,	Keeping tuition for the best cultural villages in Mfuve, promotion of rural Zambian traditional knowledge, Support for theater	Protecting wildlife and natural heritage, sustainable energy, "green" approaches	performs Fund-raising for 3 local NGOs, donation per person is evenly distributed on the activity: conservation and community projects
"Experiencias Xcaret" - Mexico, businesses linked to the goal of responsible tourism	partnership with the aim of maximizing the enjoyment of "natural, cultural and archaeological richness of Mexico"	Conservation of natural and cultural heritage through the preservation and promotion activities; Responsible Tourism Actions to help Mayan communities,	Reading ancient hieroglyphic letters, Promotion of the Intangible Cultural Heritage	Help turtles, Special open air schools - raising awareness of environmental issues, afforestation	Funds raised at the local level for small projects, and through responsible tourism activities.

Source: Authors selection of examples (Kočović, 2016) based on Wei for UN DESA, 2013.

Besides participatory governance and partnerships, other recommendation is reflected in the necessity of creating new products that rely on the the heritage attributes. We believe that new products should be supported and produced by participatory governance and partnerships from the field of eco-cultural tourism and CCI. This way allows establishment of dynamics that provides the synergy effects and create additional value. In order to set up, the new products require a good knowledge of the market. It is especially important to know: the nature new age tourism demand, as well as perceptions, needs, and behavior of new age tourists. Then it is possible to answer adequately from supply side, by creating new eco-cultural routes, by the diversification strategy. This will allow building new products on existing, in order to connect important natural and cultural heritage.

Why eco-cultural routes? The road infrastructure have been always important tool for connection, representing the basis of mobility. In addition to the initial character - primarily for linking socio-economic benefits for people who have used them (hunting, fishing, trade, research, pilgrimages, etc.). Trails and pathways are essential for travel and tourism, because they actively enabling merging of multilayer meanings and memories of the past with the present (Kocovic, 2016). By relocation of the original context of roads and routes, we add them new meaning and values (recreation, sport, cultural and historical revival, enjoying outings, holidays, etc.). This scenario does not exclude the old values, on the contrary. Old values are covered, with the potential to draw narratives and memories, events and preserved material and

immaterial culture that roads testify (Kocovic, 2016). Roughly, classification of routes can be made by type on cultural, natural and mixed routes (Timothy and Boyd, 2015). This classification also indicates the adequacy of routes in the formation of new products. Mixed routes and trails are particularly important for the topic of this paper, as they connect natural and cultural heritage. Intrinsically in practice, there are no strict natural or cultural routes. Nature will always have some elements of anthropogenic interventions, and vice versa, cultural routes are always placed in a natural context. Thing that is common to both types of routes that lead to a similar impact in the context of sustainable development is that: both natural and cultural routes will help preservation, interpretation and better understanding of heritage. Mixed routes can be located in urban, rural areas and protected areas. In the urban areas this mixed routes are generally located the parks linking the natural and cultural elements. Timothy gives examples about mixed routes, they could be bike paths, green areas, border roads, scenic routes, routes that follow the railway line (Timothy and Boyd, 2015). Because of nature, mixed routes allow most powerful valorization of the heritage. This is happening because pleasure and impressions reinforce by synergetic operation of the attraction based on both types of heritage (cultural and natural), that is connected by mixed routes. Eco-cultural routes should include characteristics related to all the attractions that are connected and basic information about them. Mixed routes are related to natural and cultural attractions, but it is also good to include the members of local community that are open to visitors and have to offer handicrafts. Handicrafts are authentic products, based on old knowledge and it is also a part of CCI. Management activities, which must be taken in relation to routes, are extremely complex and depends on many factors (type, space, terrain, users, purpose, etc.). Relying on the previous recommendation that highlights the importance of participatory governance and partnerships, it seems that after forming the eco-cultural routes, the most important thing to do in management process is to think about safety precautions.

This brings us to third recommendation that is about risk management of heritage and visitors.

Natural and cultural heritage (archaeological, built, historical, environmental entities), is under the influence of catastrophic risks. Catastrophic risks are related to the both, risks of natural disasters, and the risks resulting from the operation of the human factor. Usually, they result in huge material loses, human sacrifice, loss of heritage (Djukić and Kocovic 2016). Risk management, in terms of cultural and natural heritage is a major problem (especially in low-income countries), since the assessment of the value of cultural heritage is as difficult as evaluation of emotional pain in insurance (Kocovic 2015; Kocovic and Djukic 2015). In World number of frequent catastrophic risks affecting the heritage is increasing, whereby the insurance companies are less interested in this type of insurance. After the terrorist attacks in New York, this event changed the approach of insurance companies (insurers). This extreme case of insurance against negative human action - terrorism, is more and more present in the world, endangering the World cultural heritage (monasteries in Kosovo, Palmira, etc.). Also, there are problems to cover the caused damages. Because as a result of this damages can seriously jeopardize the financial position of insurers, who are not willing to submit themselves losses due to adverse events. This situation led to the conclusion about the necessity of introducing public-private catastrophic risk insurance model in which the State will amortize the excess risk, that exceeds the financial capacity of insurance companies (Djukic and Kocovic 2016). Catastrophic risk management model in which the State is acting as reinsurer, in literature, means the market-supportive approach. In this approach the State relies on the administrative capacity of the private insurance market in performing appropriate functions including marketing, broadcasting of insurance policies, collecting premiums, assessment and payment of claims. The financial resources of the state are activated when the insured losses after the occurrence catastrophic event overcome the retention of direct insurers. This approach combines the state's ability to provide a broader scope of insurance coverage with the ability of private markets to apply effectively the principles of insurance (Djukic and Kocovic, 2016). Last, but not least, the insurance company in the name of corporate responsibility, can consider investing in common goods,

through the policies or better insurance conditions. In this manner, they will send a positive image to the public on the operations of insurance company, which is good for its image. At the same time this can initiate and wider acceptance of values and valuation of common goods by the community. In order to be adequately valorized, heritage must be factually, meaningful and symbolically rewarded in the consciousness of the community (Djukić and Kočović 2016). One of solution is seen through the participatory form of a new insurance, based on the establishment of pools of insurances (Djukic and Kocovic, 2016). In such solution, government should establish the compensation fund to manage catastrophic risks that represents a threat to heritage. Within such a fund, resources could be allocated to the specific types of risks (vandalism, natural heritage, cultural heritage, eco-cultural routes, etc.). In their previous scientific paper Djukic and Kocovic explained how pool works when it comes to risks of cultural heritage. In their example - case of sanctuaries in Kosovo and Metohija, by the model that the authors mentioned, monasteries would be ensured by pool of insurance on certain insured sum. In case that the harmful consequences increase, those damages would be endured and took over by formed dedicated compensation fund (Djukić, Kocovic 2016). Problems related to insurance of heritage, mostly relies on the problem of determining the insured amount / sum or the value of heritage. In determining the insured amount (which influences the amount of compensation from insurance in case of realization of the risk) we should use data from the past about the cost of restoring the damaged or destroyed natural and cultural heritage. When insured amount is calculated, it is necessary to add the item for prevention, which would be used for securing natural and cultural heritage (routes, tracks) from catastrophic risks. In the context of the natural heritage Kocovic stated that one of the ways to protect against the risk of environmental catastrophes and disasters is ecological insurance (whether initiated by natural disaster risks and action of man) (Kocovic, 2015). This type of insurance imposes mandatory application of preventive measures by the insured, such as companies and entrepreneurs, whose activity has resulted in disruption of the functioning of the environment.

Particularly significant aspect of the total participatory management of cultural and natural heritage is the management of heritage visits. Uncontrolled visits led to negative consequences, which should be prevented. The level of use or visit an area with associated heritage, brings with it endangering risks for vulnerable elements of the sites. Such risks / number of visitors are depended on location, season, type of activity, physical, economic and social characteristics of the environment. There are several variations on the theme of visitor management, which the author Kocovic explained in the thesis (Kocovic, 2016). Recreation Opportunity Spectrum (ROS), is varied and has been modified over time in relation to needs. Different variations of ROS tools are designed, in order to manage the elements of nature and wild areas of various types of protected areas and heritage. As such, the ROS is an excellent tool for the development of new products eco-cultural tourism, visitor management, administration routes and link for attractions. In this manner ROS is a preventive tool for risk management.

## **Conclusion**

Common resources are our common responsibility, and it is necessary to find as many alternative options to make their sustainable development secured. The challenges we are facing especially in the field of endangered environment through environmental degradation and climate change have been questioned sustainable development cultural and natural heritage. The significance of heritage value is reflected in the fact that the natural and cultural resources / heritage, through human labor, interpretation, protection and use, transfers symbols, meaning and providing new creative ways to be used.

We could see that in order to achieve this scenario – making heritage sustainable and make it more valuable, it demands horizontal changes and better institutional interactions between sectors, branches and departments that share governance, and risk management. Also, this scenario gives enough space for any interested relevant actor from the fields of eco-tourism and CCI, and it is very desirable in context of creation

new products. This will lead to scenario where sustainable development of heritage is secured over time and also creation of new values is supported by synergic operations from different fields, levels and sectors. We have selected some good examples that support our research question that the lateral branches (or responsible forms of tourism and CCI) contributes to the conservation and preservation of heritage, with a focus on community development and local economic development. We suggested new system solution that means more integrative management approach through participative governance. New model for heritage should connect many different sectors, departments, branches, variables. In this way, social, economic, environmental, cultural effects are stronger and more visible. More Integrative management solution that assumes participatory governance and mentioned strategies besides the issues important for use and values of cultural and natural heritage, should also include issues connected with: ecology, environmental protection, culture, tourism, economy, employment, insurance options for heritage from the catastrophic risk etc.

Based on findings of our research, it could be conducted that is necessary to design new system solutions in the management of heritage. New model of participative management with partnerships and linking strategies, would be much more effective because such a form of integrated action leads to the better social conditions in general. We also think that the way of dealing with heritage values, presupposes strong commitment in understanding specific markets that are relevant for heritage (eco-cultural tourism, CCI). This is important because it assumes optimal demand and creation of new products, that will led to better valuation of heritage. It is also important, as we could see from shown examples to develop as much as possible conditions that are conducive to the creation of synergy effects of eco-cultural tourism and the CCI. Because we consider eco-cultural tourism and CCI most relevant for the better understanding, perception, valorization, creation of added value, sustainable development - when it comes to heritage. Finally, our last recommendation refers to the importance of risk management and visitor management that threaten the heritage. Mentioned precautions should be adopted in any comprehensive approach to management of heritage, so heritage may achieve its primary objectives: the existence, storytelling, and creation of values. This paper is important because it gave directions for heritage treatment. Heritage as the common good is the oldest witness of culture and different events.

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# The mind of the artist/The mind of the leader: What neuroscience can teach us about the training of arts managers and leaders

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## Abstract

This research paper will triangulate neuroscience with performing artist cognitive traits and the training of arts leaders. The authors will examine current research in the burgeoning field of neuro-cognition and its pedagogical implications for teaching future arts leaders who come to the study from a performing arts background. The paper will present some of the exciting new discoveries in how the mind works and how this research helps us understand the parallels between the performing artist and the training of the arts leader. Leadership training for future arts leaders is a critical component of their education, but we often rely on pedagogical tools created for the business world or generic nonprofit education modified to suit the realities of arts organizations. This presentation will illustrate a new pedagogical model that draws from research into how the brain works and our understanding of the mind and practice of the performing artist. Using new research on the practice of thinking and learning to inform leadership models in arts management and applying *the artist's mind* to the training of arts leaders points to a broadening of our pedagogical toolbox and may indeed be a new way forward in the field.

Keywords: arts management training, arts leadership, neuro-cognition, creative brain

## Introduction

The contemporary popular literature of leadership is rife with works by successful entrepreneurs, corporate CEOs, business tycoons, product inventors and self-help gurus, sharing their personal stories of perseverance and suggesting that you too can be a success by following the author's example and principles. These works are anecdotal in nature and while often inspiring, provide little in the way of scientific proof, evidence, data, or testing. They are popular literature that is unfortunately too often read as not only fact, but replicable fact. Those who teach leadership within the academic community should view them as case studies, at best. The authors of this paper look to the seminal research of psychologist Daniel Goleman, who first published his groundbreaking book *Emotional Intelligence* in 1995 and in 1998 his classic article in *Harvard Business Review*, *What Makes a Leader?* It remains the most requested article in HBR's history. In this paper the author's will review Goleman's theories as they apply to leadership in the workplace, examine how emotional intelligence is perhaps the critical factor in the training of performing artists (dance, music and acting), examine some of the latest research in the workings of the human brain, and finally connect the dots between the theory, current research, and the training of artists as leaders.

## **1. The Theory of Emotional Intelligence and the Training of Leaders**

Goleman's pioneering research in the 1990s with over two hundred large companies across the globe provided him with abundant evidence that emotional intelligence is primary to the success of the leader and that education, practical skill, and experience are secondary factors (Goleman, 1995). His research led him to conclude that there are domains of emotional intelligence and related personal competencies that the best leaders exhibit and that can be learned by aspiring leaders.

The first of these domains is Personal Competence, the capabilities that determine how we manage ourselves. Personal Competence includes:

### **Self-awareness**

- Emotional self-awareness: reading one's own emotions and recognizing their impact; using gut sense to guide decisions (intuition).
- Accurate self-assessment: knowing one's strengths and limits.
- Self-confidence: a sound sense of one's self-worth and capabilities.

### **Self-management**

- Emotional self-control: keeping disruptive emotions and impulses under control.
- Transparency: displaying honesty and integrity; trustworthiness.
- Adaptability: flexibility in adapting to changing situations or overcoming obstacles.
- Achievement: the drive to improve performance to meet inner standards of excellence.
- Initiative: readiness to act and seize opportunities.
- Optimism: seeing the upside in events.

The second domain is Social Competence, the capabilities that determine how we manage relationships. Social Competence includes:

### **Social awareness**

- Empathy: sensing others' emotions, understanding their perspective, and taking active interest in their concerns.
- Organizational awareness: reading the currents, decision networks, and politics at the organizational level.
- Service: recognizing and meeting follower, client, or customer needs.

### **Relationship management**

- Inspirational Leadership: guiding and motivating with a compelling vision.
- Influence: wielding a range of tactics for persuasion.
- Developing others: bolstering others' abilities through feedback and guidance.
- Change catalyst: initiating, managing, and leading in a new direction.
- Conflict management: resolving disagreements.
- Building bonds: cultivating and maintaining a web of relationships.
- Teamwork and collaboration: cooperation and team building (Goleman et al., 2002).

Within these domains reside threads of human behavior that bind these competencies together. Goleman contends that our emotional life is dependent on our connection with others. There exists an open loop of communication between people that informs our emotional life. The stronger this connection the more likely that people will mirror each other's emotions and physiology. We feel the other's pain, joy, sadness, loss and not only metaphorically, but as a function of the part of the brain known as the mirror neuron system. The strong emotions we sense in others can stimulate the very same physical manifestations in ourselves, such as tightening in the throat, shedding tears, or a smile. Significant research has been undertaken over the past twenty years to understand the workings of this system, particularly with individuals who manifest disorder on the autism spectrum and with those who suffer from social-emotional agnosia, the inability to recognize facial expression in another person.

There is also a contagious element to our emotions. One need only recognize how quickly laughter manifests and spreads in an audience watching a comedic performance. We can also look to the performance – the relationship between the performer and the audience – to see how the expression of one’s emotions can draw in other people. The audience becomes captivated by the emotional expression and passion of the performer. But this reaction is not limited to the theatre; it occurs for us all as we interact with other people in our daily lives. So too, our moods have a distinct effect on other people. A leader with a bad mood can significantly alter the dynamics of a meeting, impairing the communication between attendees and ultimately lowering productivity. Perhaps the most damaging behavior is allowing our emotions to hijack our reasoning. Crimes of passion, road rage, and even political passions like Brexit and Trumpism are examples of emotional hijacking and its effects on the behavior of individuals caught in the moment.

## **2. Training of Performing Artists**

The authors of this paper posit that the contemporary training of dancers, musicians and actors relies on a shared system of physical development, skill acquisition, and equally important, the careful development of the artist’s emotional intelligence. The latter is the focus of this article and the author’s attempt to link the training of arts leaders and the training of performing artists. The authors contend that the artists physical training and skill acquisition must be accompanied by the development of focus, flow, empathy, intuition and competence in order to develop the whole artist.

### **Focus**

The ability to simultaneously concentrate rational thinking, emotional life, physical presence and skill is an essential activity for the performing artist. Dancers and musicians may spend much of their young lives, beginning at the age of 3 or 4, in the studio or at home with lessons, learning to focus their minds on the mastery of their art. It is only through focused practice that a high level of creative competence can emerge. Research with patients of traumatic brain injury (TBI) has found that the ability to suspend traditional beliefs or paradigms (when wrestling with a problem) and to practice thinking patterns outside of the individual’s norm are key to creative solutions (Heilman, 2016).

### **Flow**

Performers (and athletes) understand what it means to be in flow, sometimes known as “in the zone.” It is a heightened state of presence in the here and now, of highly energized focus, of both awareness and freedom, and powerful emotion – often a deeply felt satisfaction and joy. While it can be found in rehearsal, it is truly the hallmark of performance, when the artist must abandon the kind of focus required for preparation and immerse in a complex dynamic that is, for the audience, a mystery. Psychologist Mihaly Csikszentmihalyi described the phenomenon of flow in his groundbreaking investigations that examined the optimal state of inner experience and the basis of happiness (Csikszentmihalyi, 1990).

### **Empathy**

Performers working together, in an ensemble, and in both rehearsal and performance, must exercise their empathetic emotional skills to a high degree. Cognitive empathy, the ability to recognize the emotion felt by another person, is not only a sensory process involving listening, seeing and, particularly for dancers and actors, often touching. It is also a function of the previously mentioned mirror neuron system, which allows us to similarly feel what another person is experiencing. But empathy for the performer must go beyond recognition and include what is known as affective empathy, the ability to respond appropriately once the emotion of the other is recognized (Goleman, 1995). This forms the basis of method acting training, which emphasizes that the actor generates a realistic affective response (perspective taking) to the emotional behavior of the acting partner.

### **Intuition**

Researcher Dietrich found (through a survey of literature and experiments on the frontal lobe) that total

absorption in a task causes the individual to “forget oneself” through the suspension of self-awareness and become fully absorbed in the task (Dietrich, 2004). This transition from the awareness of self to the liberation of unconscious mind allowed for suppression of the analytical brain functions and gave reign to the intuitive functions. This is a key element of the creative process, allowing the use of intuition to link sensory input and problem solving in unique ways. Artists engaged in improvisation utilize intuition to a high degree, yet such intuition is reliant on a highly developed level of skill and competence that the artist has acquired through study and practice.

### **Competence**

This is perhaps what most people (including young students) think of as the way that a performer is trained – the acquisition of skill, the mastery of technique, the development of talent, and the capacity to make interesting creative choices based on an ever growing personal experience with the art form. Heilman and his team, reviewing literature on TBI patient brain activity concluded that skill mastery and the challenges posed by skill mastery created a *creative ready brain* (Heilman et al. 2003). Competence, in and of itself however, is insufficient and must be integrated into a holistic process of training the performer that assimilates intuition, empathy, flow and focus, thus training the whole artist. In their 2010 work, de Manzano et al. also point to the correlation between flow (or supreme concentration) and performance quality noting that a positive physical effect combined with high attention results in the ability of the performing artist (pianist) to find a maximum state of performance quality (de Manzano et al., 2010).

### **3. Recent Research that Expands Our Understanding of Emotional Intelligence**

The burgeoning field of neuroscience has been expanding at an ever increasing rate over the past twenty-five years as new research tools have been applied that safely reveal the workings of the brain’s interior. Using such tools as optogenetics, functional magnetic resonance imaging, electroencephalography, and positron emission tomography researches have been able to study how the brain works in greater detail, with more accuracy, and often in clinical settings that approximate the way in which research subjects actually function in the world. Equally as exciting is the scope of research that uses less technical and perhaps more prosaic investigatory methods of observation and behavioral measurement with no less striking conclusions. The results of recent research have both confirmed what has been commonly accepted and illuminated new and sometimes surprising understanding of cognition, emotional intelligence, perception and creativity. We shall look at just a very small sample of this research as it pertains to emotionally resonant leadership and how the creative brain functions.

#### **Empathy**

Theory of mind (ToM) in the tradition of Plato and Descartes, says that we understand or predict the behavior or beliefs of others (mentalizing) and then respond accordingly. For example, I make assumptions about the beliefs of someone who supports Donald Trump or Brexit and then determine that this is someone I don’t want to engage with and would rather ignore. My behavior is determined by how I understand the mindset of the other person. ToM includes cognitive empathy, putting yourself in someone else’s shoes to understand him. New research suggests that affective (emotional) empathy is a precursor to cognitive empathy, we need to feel the other person before we can empathize (Divash and Shamay-Tsoory, 2014). This two-step process is an essential tool for stage actors who in both training and performance observe the behavior of their acting partner and respond to it.

In Waddington’s 2013 study of chamber musicians, she examined the relationship between peak performance and co-performer empathy. Waddington describes empathy as a shared approach formed by the relationship of working together. By studying the interactions and exchanges between the chamber musicians, Waddington found empathy to be the by-product of the intentional awareness created by a bond between performers as they played (Waddington, 2013).

Researchers reviewing studies of traumatic brain injury (TBI) and frontal lobe studies concluded that being *in flow* suspends the rational, analytical brain and may allow the individual greater ability to connect with their environment and individuals within that environment while engaged in problem solving; thus evolving the emotions and identifying/understanding with the emotions of others (Heilman et al., 2003). Waddington (2013) adds to this understanding of the relationship between flow and empathy explaining that both are elements of the live music performance process.

### **Near Wins and Motivation**

In Chase and Clark's 2010 study of gambling behavior, they concluded that near misses cause cognitive distortions, which inflate future chances of winning, creating an almost intoxicating effect as the next attempt is pondered with increasing magnetism. Furthermore, Chase and Clarke postulated that near misses created reward related brain circuitry, which inspires further engagement (Chase and Clark, 2010).

Researchers from INSEAD Business School found that near wins are indeed more motivating than actual wins, which seems counterintuitive. They created various near win experiences and found that subjects ran faster to get to a chocolate bar and salivated more for money. In consumer research it was found that near wins motivate shoppers to spend more on consumer goods (Wadhwa and Kim, 2015). Harvard historian Sarah Lewis calls this *the propulsion of the near-win*. In her book *The Rise: Creativity, the Gift of Failure, and the Search for Mastery*, she quotes playwright Tennessee Williams as saying that apparent failure motivated him. He said "it sends me back to my typewriter that very night, before the reviews are out. I am more compelled to get back to work than if I had a success." (Lewis, 2014: 10).

### **Combinatory Play and Neuroaesthetics**

Clinical Psychologist Victoria Stevens looks at the recent subfield of neuroaesthetics, which examines the neurological basis for the creative process and recent research. She looks at combinatory play: conscious and unconscious interplay of ideas, senses, thoughts, etc. that are a hallmark of creative process, and the imagination (Stevens, 2014). Method actors are expert at combinatory play, wherein the technique teaches the performer to emulate realistic behavior under imaginary circumstances. Johns Hopkins researchers mapped jazz musician's brains during improvisation and found that their musicianship affected the neural network of the brain, resulting in greater interplay of brain functionality. Improvisers demonstrate a more efficient combinatory play (Pinho, 2014).

Researcher Dietrich examined the intersection between flow and sensory (body) input as the basis for creative happenings. These happenings combine previously mastered skills with the brain's intuitive processes, which then allowed the brain's implicit knowledge base to "play" with combinations and creative problem solving without interference from the brain's more analytical systems (Dietrich, 2004). Lopez-Gonzalez and Limb (2012) examined the neural underpinnings of spontaneous artistic creativity such as jazz improvisation or free style rap. Their work examines the cognitive creative approach, which asserts that creativity is neither random nor magical; rather an interaction of retained, relevant knowledge combined with problem solving skills. Lopez-Gonzalez and Limb assert that the neurological systems of emotional evaluation, sensory input and previous knowledge combine when certain areas of the brain surrender control (and other areas take control: the lateral orbital region succeeds to the prefrontal region). This movement between areas of brain causes the free recombination of ideas – or the play of seemingly unrelated concepts in improvisation. (Lopez-Gonzalez and Limb, 2012)

As noted previously, Heilman's research refers to the creative ready brain. In their research on creative innovation (CI), Heilman et al. note the brain can selectively inhibit and activate various regions causing information to be combined in new ways. Intelligence, knowledge, and special skills alone are not conducive to creativity; the ability to shift between brain regions is an essential functional quality. In essence, the brain uses different regions, combined with intelligence, knowledge, and special skills to play with new idea combinations in order to be creative.

#### 4. Divergent/Convergent Thinking

Heilman theorized that the individual has to be willing to abandon preconceptions and accepted *normal* paradigms to achieve focus on a problem. He further found that being totally absorbed in a task (in flow) helped with that suspension; allowing creative applications of previous skills and knowledge. This experience of divergent (problem-solving) and convergent (finding the best solution) thinking is a hallmark of creativity. (Heilman, 2016) Lee and Therriault examine the associative fluency created by the interaction of divergent and convergent thinking, suggesting that these higher order cognitive functions may contribute to creative thinking. Their study proves that divergent and convergent thinking are two parts of the larger creative process. When combined with intelligence, and working memory, these two executive functions allow for new combinations of knowledge and skill in a creative manner. (Lee and Therriault, 2013)

##### Improvisation

Dietrich's (2004) work on flow and sensory input demonstrates that improvisation enables the brain's intrinsic system (intuition) to dominate over the explicit system (rational analytical); he terms this *flexibility*. Dietrich, (2004) Lopez-Gonzalez and Limb's (2012) research speaks directly to the improvisational nature of the brain. Like Dietrich, Lopez-Gonzalez and Limb find that the interaction of retained, relevant knowledge combined with problem solving skills results in improvisation or new combinations of knowledge and skill. Both agree that improvisation happens when the brain employs immediate decision making strategies as new ideas are conceived and then integrated into, in this case, a musical output (results based on brain imaging studies of 40 jazz pianists). Lee and Therriault (2013) attribute improvisational skill to an associative process that occurs between information that shares a cognitive umbrella. Their administration of a battery of thinking and intelligence tests revealed improvisation to be related to intelligence, memory recall, and divergent and convergent thinking.

##### Plasticity and Circuitry of the Creative Brain

Researchers Finger, et al. (2013) in their review of patients with TBI (imaging using MRIs) conclude that creativity is a whole brain activity and not limited to a hemisphere. Their observation of patients engaged in creative problem solving shows the entire brain is engaged - not one particular area. (Finger et al., 2013) Lee and Therriault (2013) explore the wiring of the creative brain and declare that divergent and convergent thinking patterns, association, memory, and intelligence are key executive functions of the creative brain. Lopez-Gonzalez and Limb (2012) echo these findings with their assertion that the prefrontal cortex role changes during the creative process. In short, the creative brain is dynamic, flexible, and undergoes observable, measurable changes (thinking patterns and brain functionality) during this process. Benedek, et al. (2014) suggest that intelligence and creativity are related functions and share a common cognitive basis. Both are fluid executive functions, which are supported by working memory and problem solving skills. (Benedek et al., 2014) Dietrich's (2004) research suggests that creativity is a higher level process and forces the "brain space" to expand (we use more of our brains when engaged in creative flow) and alters the physical structure of the brain to generate more *room or capacity* for this thinking later. In other words, creativity begets creativity.

#### 5. Mirroring Artistic Training and Leadership Training

Trained performing artists are often ill equipped to understand the cognitive and emotional underpinnings of their craft. They are, after all, practitioners and not theorists, and their job is to deliver a great performance. Unlike Professor Harold Hill's *think method* in *The Music Man*, musicians do not learn their craft by thinking about how to play their instruments, they learn by playing them. Even the more academic aspects of artistry - music theory for musicians, anatomy for dancers, script analysis for actors - are a small fraction of the training and best accomplished within the context of applied music, dance and theatre.

Leadership, however, can and should be thought about. Daniel Goleman states this quite clearly in *Primal*

Leadership,

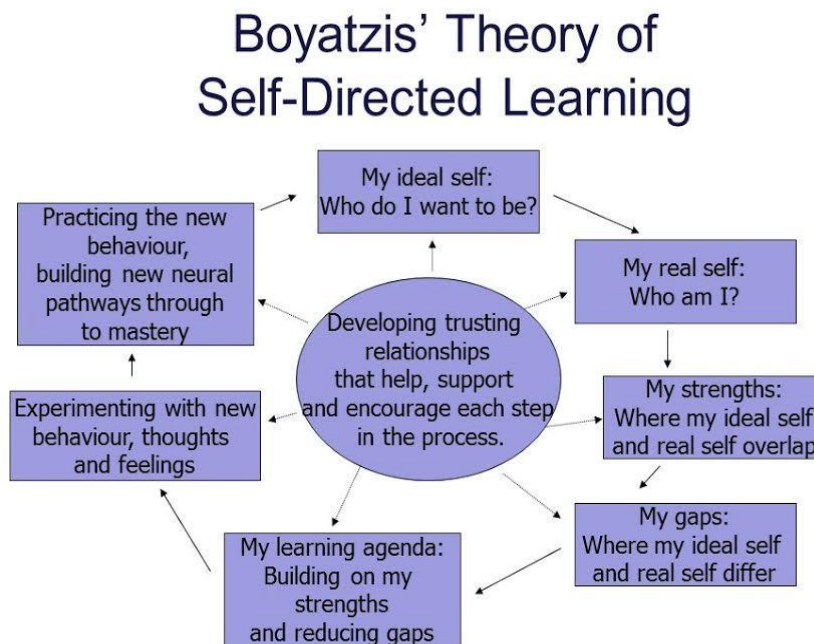
The crux of leadership development that works is *self-directed learning*: intentionally developing or strengthening an aspect of who you are or who you want to be, or both. This requires first getting a strong image of your *ideal self*, as well as an accurate picture of your *real self* – who you are now. Such self-directed learning is most effective and sustainable when you understand the process of change – and the steps to achieve it – as you go through it (Goleman et al., 2002: 109).

This model of self-directed learning, according to researcher and theorist Richard Boyatzis, is a series of personal discoveries:

- Understand and describe your real self
- Imagine your ideal self
- Create a learning agenda that capitalizes on your strengths while filling gaps as you plan a path to your ideal self
- Experiment with and practice new behaviors
- Develop supportive relationships that will provide honest feedback and encouragement (Goleman et al., 2002: 110).

These discoveries are illustrated by Boyatzis in figure 1.

Figure 1 – Boyatzis’s Theory of Self-Directed Learning



Source: Goleman et al., 2002: 111

As we examine the best way to prepare and educate artist-leaders, it becomes apparent that there are striking similarities between Goleman’s theories of emotional intelligence, the learning model developed by Boyatzis, and the creative learning process by which performing artists develop their craft. Recent research in the field of neuroscience helps us to understand the connections.

The concept of moving from the real self to the ideal self is a fundamental construct for performing artists. All young performers who have the ambition to succeed in their chosen craft fantasize about the artist that they seek to become. They restlessly examine the path to this goal, recognizing that their strengths as performers



must constantly be honed and their deficiencies strengthened with new learning. This path (the learning agenda) will require years of training with trusted coaches and teachers who guide and support them, all the while experimenting with behavior, technique, emotional life and collaboration within the practice room, the rehearsal all, and on stage.

This artistic path is in many ways a perfect mirror to the training of the leader. Using Goleman as the basis, we can lead the artist first to an understanding of the theory of emotional intelligence and then through the creation of a self-directed and personal model of leadership learning. What makes this learning process so relatable to the artist is the already familiar turf of focus, flow, empathy, intuition, and competence. When trained artists are asked to think about their artistry, how they have prepared, how they engage in practice, rehearsal and performance, and think about the relationship between their cognitive brains and their emotional brains through metacognition, we connect the familiar to the new and leadership training seems more epiphany than a slog through new learning. In a nutshell, they get it. And the neuroscientific research supports this claim, showing why it is that trained performers have an easy, often innate understanding of the theory and skills associated with leadership.

## **6. Connecting the Research to the Training of Artist-Leaders**

### **Empathy is at the Heart**

- Artists experience and practice both cognitive and affective empathy within their training
- As Goleman states, empathy is the essential ingredient of social awareness, one of the 4 competencies required of the successful leader
- Implication: artists are pre-disposed, through training, to a higher social awareness and empathy. This is borne out by the research of Waddington (2013) and Heilman et al. (2003) who both conclude that empathy is essential for optimal engagement with the other.

### **The Leader's Practice Room**

- Artists exhibit intense focus, problem solving, and physical repetition and refinement over many years of training and practice: accomplished solo, in an ensemble, or both. It is only through such intensity, accompanied by a high degree of intrinsic motivation, that skill mastery is attained.
- Similarly, a self-directed learning agenda is, according to Boyatzis (2002), a lynchpin between the leader's self-awareness and the creation of new behaviors and patterns (new neural pathways) that support attainment of the ideal self.
- Implication: Artists are attuned to and exhibit a high degree of discipline for the creation of a self-directed learning agenda to develop the competencies required of successful leadership. de Manzano et al. (2010) support this conclusion with their correlation between concentration and performance noting that a positive physical effect combined with high attention results in the ability of the performing artist to find a maximum state of performance quality. Furthermore, Finger et al. (2013) and Lee and Therriault (2013) both conclude that this activity is a whole brain process, indicating the high degree to which the executive and emotional parts of the brain are integrated in the practice of both art and leadership.

### **The Leader's Jam**

- Flow is an essential element of creativity, found in pure improvisation and in the here-and-now moment of live performance. Performing artists use both skill and knowledge together with divergent/convergent thinking to achieve this higher brain state known as flow.
- Goleman (2002) describes the open loop of communication that allows people to sense the emotional life of another person and respond. The critical element of leadership is how the leader responds in situ, a kind of emotional improvisation.

- Implications: Lopez-Gonzalez and Limb (2012), and Dietrich (2004) affirm that the intuitive nature of improvisation (the dominance of intuition over rational thinking) is a form of cognitive flexibility, during which decision-making leads to new ideas and combinations. We see this in both leaders and artists; a leader's response within an open loop of communication is similar to the improvisatory response of the artist.

### **The Ensemble and the Team**

- The performance of an ensemble, whether in music, dance or theatre, is perhaps the ultimate expression of the artist's collaborative work. It is the place where the practice room and rehearsal hall are abandoned and the artist must rely on a combination of learned competence and intuition to deliver a quality performance. According to de Manzano (2010) artists will also then find themselves in a state of flow, functioning in a highly aware state of suspended consciousness.
- In the leadership setting, working with teams is perhaps the most complex yet productive aspect of the job. It too requires a high degree of collaboration, trust, and building of bonds (Goleman, 2002). At the same time, the leader's intuitive brain informs the executive brain allowing for new combinations of ideas, strategies and decision-making. (Lopez-Gonzalez and Limb, 2012)
- Implications: We must help artists to recognize the validity of their leadership skills learned through performance. The very same skills that are valued in performance (competence, intuition, and flow) are transferable and directly applicable to the work of a leader with a team.

### **The Risks and Rewards**

- Artists experience performance and practice as near wins and misses. The goal is never achieved, even at the conclusion of the performance, because there is no perfection. The constant refinement required by a demanding aesthetic increases the artist's motivation to succeed but not to win.
- Leaders experience this same need for refinement. Chase and Clarke (2010) postulate that near wins and misses create new brain circuitry, which continually inspires further engagement; much like that experienced by the artist. It is the pursuit of the chocolate bar, not its attainment that motivates leaders to succeed.
- Implications: Both artists and leaders continually, in fact almost obsessively, refine their craft. Each failure to obtain perfection increases motivation and the pursuit of the ideal self. That pursuit, according to Boyatzis, is the fuel of self-directed learning that is required of all leaders (Goleman, 2002).

## **Conclusion**

### **The Aha! Moment**

Our task as educators of future arts leaders is to recognize the degree to which performing artists already understand the intricacies of leadership. The pursuit and engagement of the artistic process predisposes these individuals to intuitive understanding of the practices, theories, and concepts of leadership that are described within this paper. The scaffolding represented by Goleman and Boyatzis, provide the basis for the understanding of leadership training. And it's an easier climb for artists, given their training, honed intuition, collaborative experiences, and pursuit of their ideal selves.

This predisposition of artists as leaders suggests that in order to prepare young arts students for leadership roles within the professional performing arts a new systematic approach to teaching arts leadership is required. Recognizing the unique brain circuitry and flexibility inherent in the performing artist must be embed in a pedagogy created for emerging arts leaders. This conclusion begs several questions:

- How can educators best illuminate the intrinsic and essential leadership qualities that artists already possess?
- What classroom resources (teaching tools) can adequately inform a curriculum as suggested and do

these resources currently exist?

- If resources exist, how must they be adapted to serve this unique pedagogical need of training the artist-leader?
- If these resources do not exist, is there sufficient marketplace for this kind of new teaching material?
- Further research is needed to investigate this particular aspect of arts leadership training, and thus give validity to the implications outlined in this paper.

The current popular literature on leadership relies heavily on personal anecdote based on the author's experiences. Scholarly writing on leadership pays little, if any, attention to the particular needs of training artists to become leaders, perhaps because it is perceived as an insignificant need. There remains a dearth of relevant material -- either popular or scholarly -- for the illumination of the creative brain of the artist and how this understanding can be harnessed in the training of arts leaders. Marrying the research of Goleman et al. with current research on brain and creative thinking can provide a platform for the creation of a scholarly supported and systematic training of arts leaders. This may be considered a next logical step that arises from the research and conclusions presented in this paper.

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## Practicing, promoting and researching participation in the european cultural centers

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### Abstract

This paper presents the methodologies and preliminary results of the participatory research and action project RECCORD (Rethinking Cultural Centres in a European Dimension, <http://reccord2017.eu/>). RECCORD's aim is to research cultural centres as arenas for citizen participation: what are the participatory activities, the understandings of participation, the potentials and challenges of/to participation in cultural centres across Europe? The research is carried out in an experimental collaboration between researchers and 20 "citizen experts" from cultural centres across Europe.

In the paper we will first present and motivate our research design and the five research methodologies co-developed and tested with the citizen experts: interview, observation, participatory mapping, document analysis and auto-ethnography. Secondly, we will – based on our preliminary results and in dialogue with recent theories of participation – discuss a typology of participation in the cultural centres distinguishing between cultural attention, co-decision, material co-creation, creating publics, empowerment and social inclusion.

Keywords: participation, citizen science, cultural centres, methodology

### Introduction

This paper presents the methodologies and preliminary results of the participatory research and action project RECCORD (Rethinking Cultural Centres in a European Dimension, <http://reccord2017.eu/>). In RECCORD we investigate cultural centres as arenas for various forms of civic engagement and participation, involving the professionals at the cultural centres in the generation, dissemination and implementation of this knowledge. RECCORD is both *about* participation and an experiment *with* participation. Participation is our topic *and* our method.

### 1. Participatory cultural centres?

Our interest in the cultural centres is based on the hypothesis that they are important arenas of everyday cultural, social and democratic participation. While support and engagement in many political and societal institutions seems to decline, the cultural centres may be places for participatory experiments and practices

that are both interesting in themselves and maybe transferable to other institutions and sectors. Public institutions and authorities are increasingly designing participatory processes and trying to involve citizens and users in order to increase democratic legitimacy and social innovation. Simultaneously, citizens increasingly expect to have voice and to influence institutions that affect their everyday life. And they often turn away if the institutional wish for legitimacy overshadows the wish for innovation and diversity.

In this situation, the cultural centres may have an advantage. Contrary to e.g. fine art institutions they rely less on artistic expertise and authority and more on the creativity and engagement of its diverse users. They are often based on a high degree of voluntary work and on participant initiatives, and we argue that a focus on the intersection between top-down and bottom-up participation can further the understanding of why people participate and how to design models for civic participation.

The concept of participation has a variety of meanings and covers cultural, social and political practices on from micro- to macro-levels. But it is also a concept that enables us to focus on how the various practices are related (or not): Is there a link between cultural and political participation? Or between communicative participation and material co-creation? How does participation in the micro-setting of a specific cultural event differ from participation in the decision-making at the level of the cultural centre or the policy-making of the municipality? By investigating participation *in* cultural centres, but *across* different motivations, levels, modes, intensities and outputs, we expect to improve our understanding of cultural centres as well as civic participation in a more general sense.

But what is a cultural centre? What we call cultural centres are institutions that exist in multiple forms and even without a consensual name (The Budapest Observatory 2016). In various countries and languages they also appear under names that can be translated into house of culture, centre for socio-culture, citizen-house, activity-centre and more – often with more than one name in a single country and language. In general the centres are closely tied to the city or neighbourhood. They offer spaces and technical facilities for rehearsing and production of music and theatre, and they have accessible spaces for exhibitions, meetings, workshops and other initiatives of various user-groups. They are often open to (counter-) cultural activities that may have difficulties finding room elsewhere, they run on a rather low budget, and they involve many volunteers in the activities.

These aspects – the openness and the involvement of volunteers – are important for us, and so is the combination of cultural and social as well as professional and amateur activities. We hypothesize that the cultural centres – not least thanks to these characteristics – may offer forms of participation that transgress the two most common understandings of the concept.

On the one hand cultural participation is used in the sense of having access and paying attention to an artistic event or product as audience (Morrone 2008) – often with the effect of reinforcing shared identities and a belonging to a certain (national, European or other) community. This is the meaning of participation articulated in many cultural institutions, in national cultural policies, by UNESCO and others.

On the other hand, participation is used in the sense of shared decision-making: in Carol Pateman's classical definition as a right and a means to have "equal power to determine the outcome of decisions" (Pateman 1970: 71). In this use participation is essentially democratic, and it is important to distinguish between partial and full participation (Pateman, 1970), manipulation and citizen control (Arnstein, 1969), or more in general between fake and true participation – the former indicating that people are given the impression that they have influence on decisionmaking while they in reality have none or little. Nico Carpentier builds upon this political understanding when he distinguishes between access, interaction and participation, defining the latter as a precondition for co-determination and democracy (Carpentier, 2011).

While the political understanding of participation enables conceptual clarity and significantly reduces the number of phenomena that may be labelled "participatory", it has also been criticised for assuming that citizens always want equal and shared decision-making. This is not least relevant in cultural participation

where we may be more than happy to accept the decision-making of an artist, conductor or director. In cultural centres participation may often be a means to the realization of a local project or facility when external funding is scarce. Sometimes the main problem for participants in cultural projects is not lack of power but lack of supervision and interaction (Eriksson and Stephensen, 2015). In general we may engage in participatory processes with other needs and ends than the sharing of power (White, 2011)). Hence, while we agree with Carpentier (2015) that ignoring the power dimension of participation risks contributing to the hegemonization of a minimalist conception of participation (and ultimately also of democracy), we also have to acknowledge the fact that power is not always the primary motivation and concern of participants. Neither is power the only aspect of participation worth investigating. This is also the argument of Christopher Kelty et al (2014) who distinguish between seven “dimensions” of participation, focusing (among other dimensions) also on the outcome of participation: the educative dividend, the ownership of the resources produced, the metrics for evaluating the outcomes, and the collective, affective experience (Kelty 2014: 2-3). The majority of these dimensions involve power, but they cannot be reduced to a question of shared decisionmaking.

## **1. Methodology**

In RECcORD we investigate participation through an inductive approach and a continuous experimental collaboration between us (three researchers from Aarhus University), and 20 “citizen scientists” from cultural centres across Europe. These 20 fieldworkers (“recorders”) provide data about their own cultural centre and, more important, they carry out a 10-day-fieldwork at 20 other cultural centres, also spread across Europe. Thus, we get information about 40 very diverse cultural centers: from Kiev in Ukraine to Murcia in Spain, from a tiny centre in the island of Chios in Greece with 200 visitors a month and no employees to Godsbanen in Aarhus, Denmark, with 9000 visitors and 30 employees.

Instead of pre-defining participation, we asked the 20 recorders to help us investigate what it is. First, in April-May this year, they made a basic presentation of their own cultural centre. They answered a survey and produced some text and audiovisual material, and analysing how participation was defined and understood in this material we developed in a preliminary typology with six different understandings and practices of participation: *cultural attention, co-decision, material co-creation, creating publics, empowerment and social inclusion*.

These six types are partly overlapping and not static. One may very well be the effect of another: Taking part in decision-making or co-creation may lead to empowerment and inclusion. But whether and how this happens, is not given, and in the data produced by our recorders it makes sense to distinguish between the six types.

Secondly, we held a seminar for all the recorders in which they, building on the above typology, got hands-on-experience with the methods to be used at the fieldwork: 1) interview (Kvale, 2007), 2) observation (Bates, 2015), 3) participatory mapping (Hawkins 2014), 4) document analysis and 5) visual and written autoethnography (Ellis et al. 2010; Sunden 2012). The purpose of this compilation of methodologies, tested and co-developed with the practitioner-experts, is twofold: a) to give us, the researchers, a broad set of data about the cultural centres and the ways in which their users and staff members practice and understand participation; and b) to grant the citizen experts the tools to conduct methodological consistent research and the freedom to represent aspects of participation that might otherwise be overlooked. Importantly the choice of the five methodologies is based on a duality in which we both have specific research inquiries, our research questions, and questions developed from the participants’ initial presentation and attempt to keep research frame as open as possible. Methodologies such as observations and autoethnography is thus deliberately chosen to provide a framework through which the participants knowledge can be activated without the potential limitations of our predefined research questions. Inspired by community based research and participatory action research, the methodological aim of the project is to create collective inquiry and

experimentation by confronting our own theoretical knowledge and research agenda with the preexisting knowledge of the citizen experts, and to challenge and test both in new contexts: in the foreign centres where the recorders do their fieldwork.

Finally, after the fieldwork and the analysis of the data, recorders and researchers will present, share and discuss the results – and decide on potential further network and collaboration. An important event for this is the 2017 ShortCut conference in Aarhus which is for both academics and practitioners.

## **2. A new language**

It is premature to evaluate the method – both the overall participatory design and the five selected methods. At the time of writing, six of the 20 recorders have returned from their fieldwork, and we have not yet access to all their data. We do, however, have their auto-ethnographic updates which they (almost) daily have posted in a closed Facebook group. These regular updates are a testimony of the participants' desire to engage in knowledge exchange and to be a part of a community in which their experiences are valued and utilized. It is also a testimony to their engagement in actually being participants themselves. They are not satisfied with being observers, they want to share and partake. This was also evident when Michel from a big centre in Brussels did his fieldwork in a very small centre in Chios. Without any regard to the overall research design Michel decided to set up his own photography exhibition – again testifying to his desire to be a participant in more than one way. For our participant researchers participation is not just one thing and likewise they emphasise the experience of the project differently. The fieldwork and the autoethnographic method become ways for the participants to grasp various forms of community building and of activating their own knowledge in the process.

Michel writes:

in my first interview with the zumba workshop's teacher, Vassia, civil engineer in daytime, I met the ancient greek word "FILOTIMO" and better understood the spirit of being and doing the best for the others (...) this was a great moment for me comparing of our "professionalist and money funded" way of organising our own activities in our cultural center in Brussels, because it bring me back to the fundamentals of culture "shared and practiced here and now!"

Vassilka from Bulgaria visited Catalonia, and for her the fieldwork was "a life-changing experience". She writes about the method:

All the tools I knew before the Reccord project were too expensive, too exhaustive; too resource-intensive for smaller scale projects and centres. Moreover, to me they seemed unable to grasp the intrinsic values that arts bring into the lives of people... Now, after the training and after testing the Reccord project's tools in practice, I am thinking of a new direction to my quest for evaluation tools that could (hopefully) catch what arts mean to us and how they affect us as individuals, friend circles, communities and societies.

Mette from a big Danish centre visited a centre in Favara, a Sicilian village. On her first day she wrote that Being here alone and not speaking the native language is an alienating experience. People are kind but you only get so far with bodily gestures. But when she looked back at her stay one and a half month later, the language problems had been replaced by understanding:

my most important experience has been to see a very different cultural centre based on philanthropy and love of a place. I found out that to understand what was going on I needed to understand the context, the city, the island. Even though it was different to my daily life, there was still so many similitaries: thinking art as a tool for transformation, cultural centres are meeting places, and the wonderful combination of local/glocal. I think the most interesting result of the field work is the notion of identity – how proud locals can be of a cultural centre and at the same time how fragile this is due to many circumstances. A cultural centre cannot exist without users and contributors – that goes for my own my place as well as the one I visited.



In the fieldwork the recorders are engaged in what one of them calls “the multilingual experience of participation”. In doing this they search for a new language through which they can understand the foreign centre as well as their own practice at home – and especially how the everyday practices at cultural centres can facilitate intense meetings between people and enable community building. In our project – and in our presentation of it at the ENCATC research session – we will analyse this language further and discuss how the fieldwork experiences of the recorders relate to and challenge our preliminary typology of participation.

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# The role of higher education in the professionalization and education of future leaders in international/external cultural relations<sup>1</sup>

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## **Abstract**

The authors, in their shared dual roles as international cultural relations academics and practitioners have brought together the literature with their thinking and experiences around the convergence of international relations, arts and cultural management toward the cultivation of an international cultural relations workforce through higher education postgraduate offerings. They argue that there is a need for reflection and further development of managerial and leadership competencies within the increasingly professionalized and complex area of International Cultural Relations (ICR); understood as a broad transdisciplinary area allowing for the exploration of culture and its implications in the contacts between groups of peoples and countries. The paper asserts that there is a need for ICR education programmes provided in a university setting but developed collaboratively with key stakeholders and based on pedagogies that link cross-cultural, interdisciplinary theory and practice. Concurrently, the paper maps 13 existing representative higher education postgraduate programmes in international arts management, cultural relations/cultural diplomacy and public diplomacy and analyzes them by discipline, location, types of affiliations, common curriculum components and delivery mode. The authors conclude by identifying current challenges in the delivery of ICR higher education postgraduate programmes and future areas of potential research.

Keywords: Higher Education; Leadership; International Cultural Relations, International Arts and Cultural Management, Public Diplomacy

## **Introduction**

The importance of culture in the world has become increasingly salient as the Cold War political environment, dominated and oversimplified by two world powers, was replaced by a multipolar international system. Within the more interrelated international environment of the 21<sup>st</sup> Century, the nuances in values and differences in resources have become increasingly evident and accentuated by globalization flows and developments in transport and communication. This complexity raises important issues in terms of governance values, structures, processes and human resources in a rapidly changing world for both advanced and 'at-risk' societies each of whom must confront the effects of these changes on their cultural values and policy priorities. In this paper, we focus on the education and training of human resources with a specific set of knowledge, skills and competences – emerging leaders with knowledge of and competency in

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international cultural relations – which we consider crucial for the successful governance of the contemporary world. Specifically, we have brought together the literature with our thinking and experiences around the convergence of international relations, arts and cultural management toward the cultivation of an international cultural relations workforce through higher education postgraduate offerings. This is followed by an exploratory study of 13 postgraduate interdisciplinary programmes connecting the disciplinary areas of arts/cultural policy and management/administration and international relations.

### **Converging International and Arts and Cultural Management Higher Education Offerings**

Connections between international relations, (cultural) policy and arts and cultural management are not new but for a long time these areas of practice and education were distinctive and barely touched other than a small overlap of a cultural exchange or a cross-cultural communication class. Traditionally, cultural diplomacy was the remit of foreign affairs ministries, conducted abroad by diplomats and/or cultural attachés who supported artistic biennales, tours, exhibitions, exchanges and lecturers. Meanwhile, government officials at ministries of culture or similar bodies dealt with cultural policy within the domestic domain of the state on a national level and there was little coordination between these actors or a reflection of domestic cultural preferences. These days, there is increasingly a blurring of boundaries of those domains as traditional cultural diplomacy opens to new actors, activities and modes of engagement, and as individuals and organisations gain the ability to engage directly globally.

International cultural relations, as claimed and practiced by the authors in their shared respective academic and practitioner roles, lies at the nexus of three fields; arts and cultural management in an international context, international relations with close ties to public diplomacy and the addition of cultural policy which incorporates larger multinational actors like UNESCO as well as to acknowledge that “all politics is local” as coined by former US Speaker of the House Tip O’Neil (PBS.) To address the complex contemporary realities and practices of these fields, theories and concepts must be drawn from different academic disciplines (international relations, cultural policy, cultural studies, sociology, psychology, communications, public relations, marketing, management), working intra, cross, multi, inter or trans disciplinarily. Higher education offerings are starting to reflect these changes and a range of education and training programmes, primarily in North America and Europe, have developed over the past decade that blend public and cultural diplomacy with international/external cultural policy, communications, economics, management and other areas.

Bearing this in mind, the authors argue for the need for reflection and further development of arts and cultural management education within the increasingly professionalized and complex area of international cultural relations, understood as a broad transdisciplinary area allowing for the exploration of culture and its implications in the contacts between groups of peoples and countries. Concurrently, it maps and analyses 13 existing representative higher education postgraduate programmes in international arts management, cultural relations/cultural diplomacy and public diplomacy and analyzes them by discipline, location, types of affiliations, common curriculum components and delivery model.

### **Cultivating an International Cultural Relations Workforce**

A particular type of cultural professional, and specifically leaders, are the focus of this paper: those working in the area of international/external cultural relations (ICR), an increasingly professionalized and complex professional field, understood as a broad transdisciplinary area allowing for the exploration of culture and its implications in the contacts between groups of peoples and countries often with the goal of mutual understanding and cross-cultural cooperation. But who exactly are they? In terms of a generic occupational characterization they are managers and professionals, or individuals aspiring to this level of occupation, who work in the broad area of culture/arts policy and administration/management with an international remit as part of their scope of action. The definition of managers and professionals applied here is the one

established by the International Standard Classification of Occupations (ISCO): “[m]anagers plan, direct, coordinate and evaluate the overall activities of enterprises, governments and other organisations, or of organizational units within them, and formulate and review their policies, laws, rules and regulations” and “[p]rofessionals increase the existing stock of knowledge: apply scientific or artistic concepts and theories; teach about the foregoing in a systematic manner; or engage in any combination of these activities” (ILO 2012, p.87 and 109 respectively). Competent performance in most occupations under these two major groups - which include senior government officials such as ambassadors, policy, public relations or museums managers and professionals, policy analysts and advisers, etc. – are deemed to require skills at the fourth ISCO level. As defined by the ILO (2012, p.13) these type of occupations involve tasks requiring “problem solving, decision-making and creativity based on an extensive body of theoretical and factual knowledge in a specialized field”, which generally imply “extended levels of literacy and numeracy” – this knowledge and skills are “usually obtained as the result of study at a higher educational institution for a period of 3-6 years leading to the award of a first degree or higher qualification”. ISCO maps a clear connection between managerial and professional occupations and higher education, and those occupations also include some of the jobs performed by what we designate ‘future leaders in international/external cultural relations’, which following from the examples cited above included in the Standards, can also include jobs titles such as cultural attaché, public diplomacy officer, arts programme/project manager/coordinator. However, arts and cultural professionals often become so, through knowledge and skills acquired via experience and on-the-job training rather than through formal education. They then return to higher education to put their experiences into context, to achieve accreditation and legitimization of their career progression, to move to the next professional level, and/or to expand their networks and to acquire new skills. On the other hand, international relations professionals working for the government are now often required to have a related MA with choice positions given to individuals who could demonstrate both high academic marks and affiliations to institutions recognized for their expertise and programmes specifically developed to train candidates to meet government needs. It is expected that these candidates entering into international cultural relations careers through their respective foreign service will still be required to train through proprietary systems recognizing levels of classified information for the foreseeable future and we recognize that each organization will normally provide tailored training. That said, an important question remains on the table; **how can a programme in International Cultural Relations prepare and open a door to a career for a workforce that will be required to create their own interdisciplinary, not necessarily linear, career paths and find personal sustainability through mobility between related sectors?**

Although the answer to this question lies beyond the scope of this paper, we start to address this by first examining current curriculums offerings of existing related programmes and related competencies cultivated by higher education institutions in this field. We also discuss the need for further reflection on and development of the role of higher education in cultivating future leaders in international/external cultural relations who can cope with complexity, change and transitions.

Underlying this aim, there is an important assumption the authors wish to clarify: they hold a view of higher education as both utilitarian (individuals study for a degree which develops knowledge and skills directly relevant for a job – i.e. a career individual focus) and a hub for the development of intellectual awareness of the individual and advancement of society (i.e. ultimately a broader societal focus), purposes which we see as being able to be conciliated. It is not our purpose to analyse here the reported misalignment of the perceived purposes of higher education between students and institutions (see for example Chan 2016). We simply wish to state at this stage, that from our personal experience, students tend to focus on an instrumental view of higher education: often they are only looking to make the right choice of programme that will open the doors for that perfect career.

As mentioned before, this does not invalidate the role of higher education as a public good contributing to societal change and development. This idea is highlighted in the communiqué issued by the participants of the 2009 World Conference on Higher Education, at UNESCO Headquarters in Paris:

“2. Faced with the complexity of current and future global challenges, **higher education has the social responsibility to advance our understanding of multifaceted issues**, which involve social, economic, scientific and **cultural dimensions** and our ability to respond to them. It should **lead society in generating global knowledge to address global challenges**, inter alia food security, climate change, water management, **intercultural dialogue**, renewable energy and public health” (UNESCO, 2009: 2) (our highlight).

“4. Higher education must **not only give solid skills** for the present and future world but must also **contribute to the education of ethical citizens** committed to the construction of peace, the defence of human rights and the values of democracy”. (UNESCO, 2009: 2) (our highlight)

The authors wish to assert that there is a need for such education provided in a university setting as a public good but also developed collaboratively with key stakeholders and based on pedagogies that link cross-cultural, interdisciplinary theory and practice and provide experiential learning. Furthermore, we see the advantage of higher education as being in its ability to provide continual and supportive feedback over a period of time commensurate with the growth and development of the individual as they seek to achieve skill mastery and an applied understanding of theoretical concepts.

### **The International Cultural Manager’s Role in an Everchanging Environment**

The uniqueness of the training of cultural professionals and the recognition of the arts sector as an area requiring specialist management knowledge and skills have been and continue to be debated in professional networks such as European Network of Cultural Administration Training Centres (ENCATC) and Association of Arts Administration Educators (AAAE), and conferences such as Social Theory, Politics and the Arts (STP&A).

In comparison to other academic disciplines, arts/cultural management and international cultural relations/cultural diplomacy are relatively new fields of academic discourse. Higher education programmes directed at the arts and cultural sector are fairly recent, the first programmes appeared only in the late 1960s in the UK (Fisher 1992) and was mirrored in the US, following the 1965 establishment of the National Endowment for the Arts. Rightly Brkić (2009, p.277) notes “When it comes to academic curricula, there should be clear goals to educate administrators (implementers) or managers (independent leaders), either in arts management (sector-oriented culture organizations) or cultural management (interdisciplinary forms of activities). Higher education arts and cultural management programmes have now not only become mainstream, they have reached beyond to include “the use of practices for the promotion of cultural organizations and culture-related activities” (Ebewo and Sirayi 2009, p. 285)”, with further specializations available in cultural policy, entrepreneurship and arts practice.

However, Ebewo and Sirayi (2009, p.287) also reflect that:

A panoramic view of graduate studies offered in arts management in many institutions gives the impression of a refresher course or “crash program. Many of the programs are tailor-made and seem to suffer from a “fast-food syndrome” with no long-term plan in view. Candidates from all knowledge areas are free to apply and be accommodated. This is not the case with most academic disciplines; cultural management should not be an exception.

The authors agree with Ebewo and Sirayi (2009) that cultural management's multidisciplinary approach should not water down a specialised and intense training in the field. This connects with the issue of professionalization, which can be described as "an indigenous effort to introduce order into areas of vocational life that are prey to the free-playing and disorganizing tendencies of a vast, mobile, and differentiated society undergoing continuous change" (Vollmer and Mills 1985 in Ebewo and Sirayi 2009: 287). Cultural managers as a professional group are classified in the International Standard Classification of Occupations (ILO 2012) under Unit Group 1431 Sports, Recreation and Cultural Centre Managers - which defines them as planning, organizing, and controlling the operations of establishments that provide recreational and amenity services – and also under Unit Group 1349 Professional Services Managers Not Elsewhere Classified (which covers managers who plan, direct, coordinate and evaluate the provision of specialized professional and technical services). Obviously, this very technical description of the occupation is insufficient for the understanding of the role of a cultural manager - although it is relevant for the recognition of the 'professionalisation' of the field.

The characteristics of a cultural manager and the nature of his/her role come to life in the thinking of practitioners and academics in the field. For instance, in DeVereaux (2009: 243), An Moons, Free University of Brussels, Belgium, articulated as follows the characteristics of a cultural manager:

First, he has to think global, act local. Second point, he has to coordinate to seek balance between different stakeholders. It can be economic stakeholders, cultural stakeholders. It can be the state, it can be the market, it can be the nation, it can be the whole universe, or a specific institution, or a specific space. He has to be a networker. This also goes to the previous point that he has to be coordinating and balancing. And, he has to be aware of public value and, of course, what public value means.

Interestingly, using 'diplomacy speak', Griffin (2009: 267) proposes that, "the cultural manager needs to create a narrative in which culture is both something new and something familiar and be able to speak about both novelty and familiarity to the various parties in the community—whether the dimensions are local, national, or international—for which he or she is responsible". He (2009: 259) sees the 'cultural manager' as "inevitably find[ing] himself or herself at the intersection of different narratives, at a kind of diplomatic summit of potentially conflicting cultural perspectives, including the perspective that is somewhat skeptical of culture itself".

The above insights clearly point to the fact that cultural managers and professionals are particularly well positioned to contribute to the education of citizens. The audiences they reach can be truly transformed by the cultural experiences they offer. However, often, these professionals are not aware of the power their activities entail. It is exactly because of this that the authors of this paper advocate the development of that awareness through education and training.

With these ideas in mind, we now extend the conversation to what does it mean to be a leader in the context of the arts/cultural sector.

Ongoing leadership development combined with cross-cultural awareness is critical to the preparation of new, and the refreshed abilities of mature cultural leaders. They must be capable of effectively contributing to societal development and responding to contemporary challenges while creating and sustaining links between local and global communities. International cultural relations, which is less prone to be identified with foreign policy agendas and activities, is more conducive as a discipline and practice to the fulfillment of those objectives, than public diplomacy, for example, an area that is closer to traditional international relations perspectives where power is identified as dominance of the other (even if under the cloak of 'two way' communication), and not as a relationship where a power balance and mutual support are necessary for the continuation and development of that relationship. Cultural professionals need that understanding to be able to properly develop and implement their personal and organizational missions, acting as leaders.

Leadership, from an organizational point of view, is about coping with change and setting a direction, aligning people, motivating and inspiring them are all fundamental roles of a leader (Kotter, 1990). However, leadership is also something quite personal, it is about personal purpose, and this implies that one must be able to know what that purpose is, how does one achieve it and why (Craig and Snook, 2014).

To be able to perform their role, leaders need specific skills, these will be briefly outlined using Kotter's (1990) ideas. Firstly, in order to be able to set a long-term direction, a vision and the implicit strategies to achieve it, leaders need to be strategic thinkers, good at reading the bigger picture, gathering and analyzing the required information. In terms of cultural leaders operating in international cultural relations this translates into an awareness of global and regional contexts and trends, as well as good knowledge of their operating contexts. Secondly, aligning people requires an engagement with stakeholders inside and outside an organization working interdependently so that ultimately vision and strategies can be implemented. Increasingly, networks are an important feature of the way the cultural sector – and all other sectors – work. Communicating, in a credible and empowering way, the vision to individuals and networks of individuals and organisations is an important challenge to be overcome by a leader. Finally, inspiring and energizing the behavior of others to cope and overcome any barriers and obstacles to change is crucial. This ideally creates a multiplication of leadership throughout the organization, as each individual becomes a leader. There is, of course, the danger that rather than convergence, this leads to divergence and conflict. Reflecting on this from the point of view of leadership in international cultural relations, we can say that more than ever, the world needs people to engage in mutual understanding of values and views, and this is where formal and informal networks can achieve great things. In the case of international cultural relations, the emergence of concepts such as public diplomacy, network diplomacy, citizen diplomacy and people-to-people diplomacy indicate the importance of node connections at multiple levels (beyond traditional government-to-government or within the same 'organisational' level) to bring together different types of leaders and change makers into dialogue.

It is important to understand that leadership and management are not the same – the latter is about planning, organizing and problem-solving (Kotter, 1990). It is also necessary to stress that to be a leader, you don't have to be a manager, as in a manager of others, one can be a leader if by the ideas we convey to others through our work – not necessarily within an organization – are setting a vision and can draw others to contribute to its fulfillment. That also means that not everyone wants or can be a leader, but that is part of another conversation.

## **1. Higher Education and International Cultural Relations**

International relations (IR) as a political activity can be dated back to the time of the Greek historian Thucydides, however as an academic discipline its history is much more recent. Although there are different stories for the origins of IR (e.g. Ashworth n.d.), the aftermath of WWI is often indicated, linking the birth of the discipline to the understanding of the nature and causes of war with a view to identifying solutions. IR emerged as a formal academic 'discipline' in 1919 at Aberystwyth, University of Wales (now Aberystwyth University) and it is concerned with the politics and political patterns in the world between institutions and organizations (that may or not be states) at international level (i.e. between and across countries). The discipline is thoroughly interdisciplinary drawing from a variety of fields, from economics and history, to demography and sociology, or anthropology, cultural studies or diplomacy. Its scope is similarly wide, including globalization, nationalism and terrorism for example. International cultural relations seeks to highlight the cultural element is part of the IR field of study. Nevertheless, often IR scholars tend to focus on the area of art and politics, which focus on the political character of art, or examine the links between popular culture and politics. Other academic disciplines study culture in the international setting, as we noted by observing the interdisciplinarity of the field above and deliver programmes in that area that focus on issues

relevant to cultural relations, as is the case for example of business and language departments that incorporate intercultural communication. There is thus a case to also reclaim the study of international relations from a cultural policy lens. In the follow section we look at this in more detail when we examine the current offer of international cultural relations programmes.

However, higher education is not only as a delivery framework for education and training in cultural relations but also an important activity area for international cultural relations and a representational experiential learning environment: higher education opportunities like ERASMUS and FULBRIGHT are often used as the gold standard examples of cultural diplomacy and cultural relations activities in public policy circles. The literature has consistently acknowledged higher education as a key area of activity for international cultural relations. For example, Mitchell (1986) in his *International Cultural Relations* monograph, remarks on the important role of Universities as part of the constituency of institutions that represent the cultural and educational life of a country and which can easily relate to professional counter-parts in other countries. He (ibid: 204) views them as “the most obvious power house and co-operant” partner of governmental cultural agencies, and lauds them as “one of the least acclaimed European exports” for “exercise[ing] a normative function throughout the world in propagating techniques for national progress and models for international co-operation”. Here a critique of Mitchell’s ideas on the positive function of the university could be advanced from a cultural imperialism point of view, however this is out of the scope of this paper – we can only thus agree on the general important role universities do play in international cultural relations by establishing important multi-level networks (professional services, academics, students) without going into a judgment of the effects of their activities. Wyszomirski et al. (2003), in their review of cultural diplomacy practices, include various education related activities as sets for the multi-country comparison. These include, for example, the exchange of individuals for educational purposes and the support for country and language studies programmes. Wyszomirski et al. (2003: 1), speak of (cultural and) educational diplomacy, as part of public diplomacy, describing them as emphasizing “exchanges of persons and ideas that directly involve a relatively small number of people and are concerned with promoting long-term mutual understanding between peoples”. More recently, the EU report *Engaging the World* (Isar et al., 2014), one of the outputs of the Preparatory Action ‘Culture in EU External Relations’, also highlights the important role of educational exchanges in the strategies of many countries. However, we must note that the above literature highlights the university from a national point of view in international cultural relations, and one cannot forget that universities are becoming important international actors in their own right.

Trends towards the internationalisation of higher education are increasingly noticeable (UNESCO, 2015). This implies different aspects. Internationalisation is happening ‘at home’, involving changes towards a more diversified curriculum, and demographic related phenomena, as well as mobility of staff and students, diversifies the cultural and national makeover of those involved in the administration, teaching and learning of higher education. This has a positive impact in intercultural dialogue and mutual understanding, although research to evidence this is still needed. Internationalisation also implies the more recent practice of higher education institutions of opening up campuses abroad and opting to use online means of delivery, in parallel with the more traditional exchanges. Thus universities are operating outside of the traditional national boundaries and operating as multinational corporations (for a detailed discussion of the university in the market see for example Engwall, 2008).

Further reinforcing the important role of universities internationally, is the work being developed by UNESCO towards a possible global convention to agree principles and procedures for the recognition of higher education qualifications. In this process, UNESCO (2015) has proposed a series of principles, some of which are relevant to highlight as they reinforce our views on the importance of higher education for cultural dialogue and mutual understanding. This global convention is presented as “an instrument for the global acknowledgement of higher education as a public good and a public responsibility” (ibid:19) and its



implementation should contribute to “building more cultural understanding on the global level through the facilitation of inter-regional mobility of students and researchers” (ibid: 20). As a global convention seeking to establish common principles and procedures regarding the recognition of qualifications, there is implicit in the development and implementation of such a normative instrument, the building of mutual trust and understanding between the parties – this is already happening through existing regional conventions (of which the European Bologna process is a good example, see UNESCO 2015 for a broad view).

The representational experiential learning environment of higher education - exemplified by programmes such as ERASMUS and FULBRIGHT, which are often cited as good practice in cultural diplomacy and cultural relations - is a very important dimension of what universities can offer to individuals which is relevant to international cultural relations. Universities are able to foster an environment conducive to dialogue between people from diverse backgrounds, students and staff are able to become aware and understanding of cultural differences and through their interactions establish relationships of trust. Skills related to culture, language and social interaction in general are developed contributing for the formation of wholesome citizens with a broader understanding of the world in which they live and to which they can contribute in a more enlightened way. Literature corroborates our positive outlook on the advantages of these types of experiences. For example, Jacobone and Moro's (2014) study of students participating in the Erasmus programme conclude that perceived outcomes include cultural enhancement, personal development and foreign language proficiency. By seeing universities, and such programmes, in such a positive light, we are of course not dismissing critiques, which include seeing these programmes as holiday opportunities, not being so accessible to participants from lower income backgrounds, or making an uneven contribution to the educational outcomes required from students.

## **2. An Analysis of Existing Higher Education Programmes in International Cultural Relations**

Currently, and to the knowledge of the authors, there is no comprehensive analysis published on Higher Education programmes in the area of International Cultural Relations. However, it is understood that a study was initiated in April 2016 by the University of Siena, under the supervision of Prof. Pierangelo Isernia, commissioned by EUNIC – the network of European Institutes of Culture – to survey the teaching offer and content in Public and Cultural Diplomacy expected to be available in Autumn 2016.

As such, this section provides an updated analysis of a data set of 13 postgraduate programmes representative of existing international arts and cultural-related management, cultural diplomacy / cultural relations and public diplomacy programmes. This dataset is based on an initial inquiry presented at AAAE in 2015 by Aimee Fullman that included 15 programmes. ENCATC and UNITAR were removed from the original dataset for the purposes of this analysis as they were not leading to nationally accredited certifications. Programmes were identified by a methodical analysis of the membership postgraduate programs of AAAE and ENCATC, complimented by related programs listed on the US Council on Public Diplomacy's website as of April 2014. The dataset used for the purposes of our analysis here includes the following 13 postgraduate programmes (see Table 1: A Niche Dataset) that offer either a certificate, diploma, masters and/or Ph.D in a related degree (international arts management, public diplomacy, cultural relations etc.) organized by overarching discipline classification: cultural relations/cultural diplomacy, public diplomacy and international arts management. This data was verified and updated in September 2016, and while not comprehensive, for example the Institute for Cultural Diplomacy has expanded its postgraduate offerings through additional programme partners in 2015/2016 so just one of its programmes was selected, it does allow for beginning broad strokes of mapping out a burgeoning niche field of study.

**Table 1 – A Niche Dataset (n=13)**

Program Name	Organization	Program Discipline
Cultural Diplomacy and International Relations	Institute for Cultural Diplomacy	Cultural Relations/Cultural Diplomacy
Cultural Policy, Relations and Diplomacy	Goldsmiths University of London	Cultural Relations/Cultural Diplomacy
International Cultural Cooperation	Universitat de Barcelona	Cultural Relations/Cultural Diplomacy
International Cultural Relations (2017 launch)	University of Westminster	Cultural Relations/Cultural Diplomacy
International Cultural Studies	University of Hawaii at Manoa	Cultural Relations/Cultural Diplomacy
International Relations and Cultural Studies	Open University of Switzerland	Cultural Relations/Cultural Diplomacy
International Cultural Relations (2017 launch)	University of Edinburgh	Cultural Relations/Cultural Diplomacy
International Arts and Cultural Management	Carnegie Mellon University/ University of Bologna	International Arts/Cultural Management
International Arts Management	American University HEC, Southern	International Arts/Cultural Management
International Arts Management	Methodist/Bocconi	International Arts/Cultural Management
International Public Diplomacy	Macquarie University	Public Diplomacy
Master of Public Diplomacy	University of Southern California	Public Diplomacy
Public Diplomacy	Syracuse University	Public Diplomacy

All of these programmes, excepting that of International Cultural Cooperation Diploma which was created by the Universitat de Barcelona in 1995, have been launched since 2009 with all ‘international cultural relations’ entitled programmes planned within the last two years. Price range for full MA programmes in this dataset range between 9,000 Euros to 80,000 USD. Below, the geographical location of the programmes are mapped out along with their delivery affiliations in Table 1: Location of Higher Ed ICR-Related Programmes; three of whom currently offer joint degrees through partnerships that cross national borders. For example, one can see that the International Arts Management programme, jointly delivered by HEC-Montreal, Bocconi (Italy) and Southern Methodist University (Texas, USA) are linked by red lines. Carnegie Mellon University’s (Pennsylvania, USA) joint MA with University of Bologna (IT) is demonstrated by a blue line and the Institute for Cultural Diplomacy is linked to its Dubrovnik partner by a yellow line. Despite the international characteristics of each of these programmes, a common characteristic in 2016 is that they are all delivered and recruit in the English language. While most of these programmes are located in North America or UK and Europe, with the exception of Maquerie University in Australia, there is a concentration of higher education offerings specifically around cultural relations within the UK from London and in the future Edinburgh. This presents an opportunity to create a geographical hub as well as stronger global links. Both the Programme Directors for Edinburgh and University of Westminster<sup>2</sup> have strong personal and professional ties to North America and so it will be interesting to see whether in five years or so if these programmes’ future partnerships have pivoted towards Asia (a recognized large potential market for distance learning), at risk societies, the global south or more towards the West. It is also worth noting that the Institute for Cultural Diplomacy is based out of Berlin and the University of Edinburgh has announced a German partnership with Institut für Auslandsbeziehungen for its planned MOOC offering. Meanwhile, North American programmes are centered around international arts management/administration and/or public diplomacy.

<sup>2</sup> Prof. J.P. Singh, on leave from George Mason University in Virginia, USA, is leading the Centre for Cultural Relations and has also been appointed as Chair of Culture and Political Economy at the University of Edinburgh, Scotland. Aimee Fullman, one of the authors of this paper, is leading the process at the University of Westminster, London, UK.

Figure 1 – Location of Higher Ed ICR-Related Programmes (n=13)

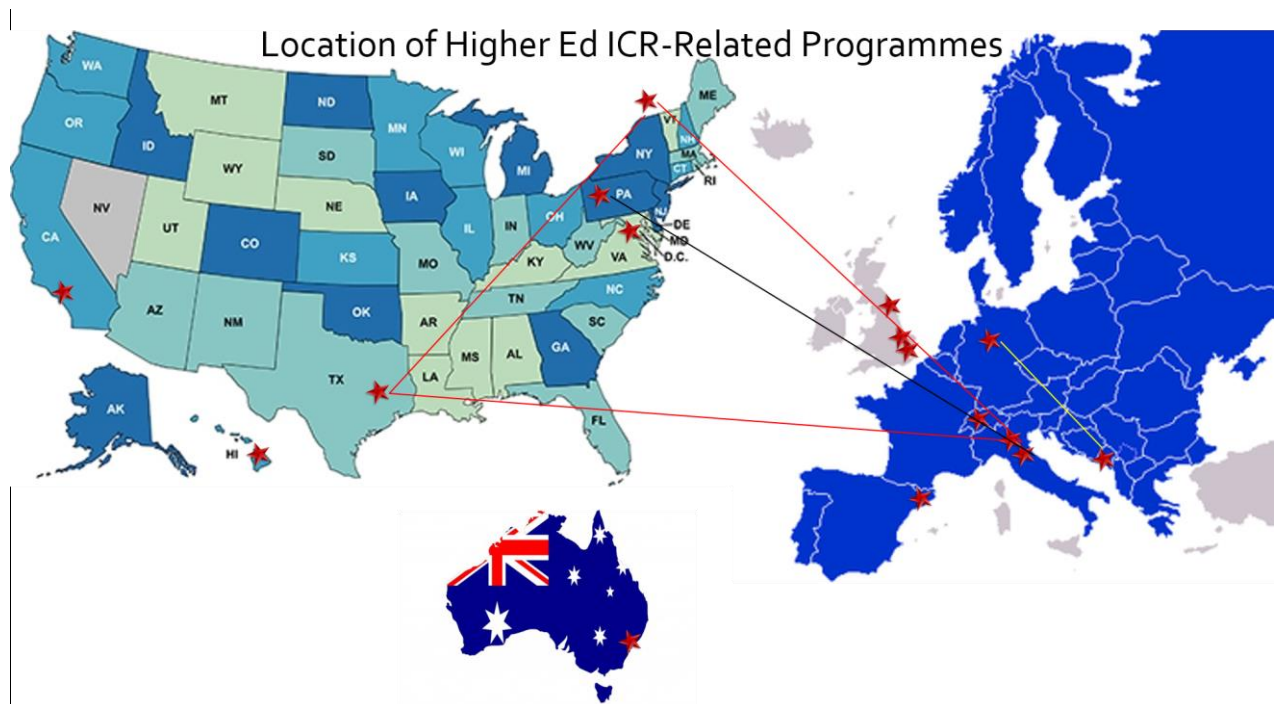
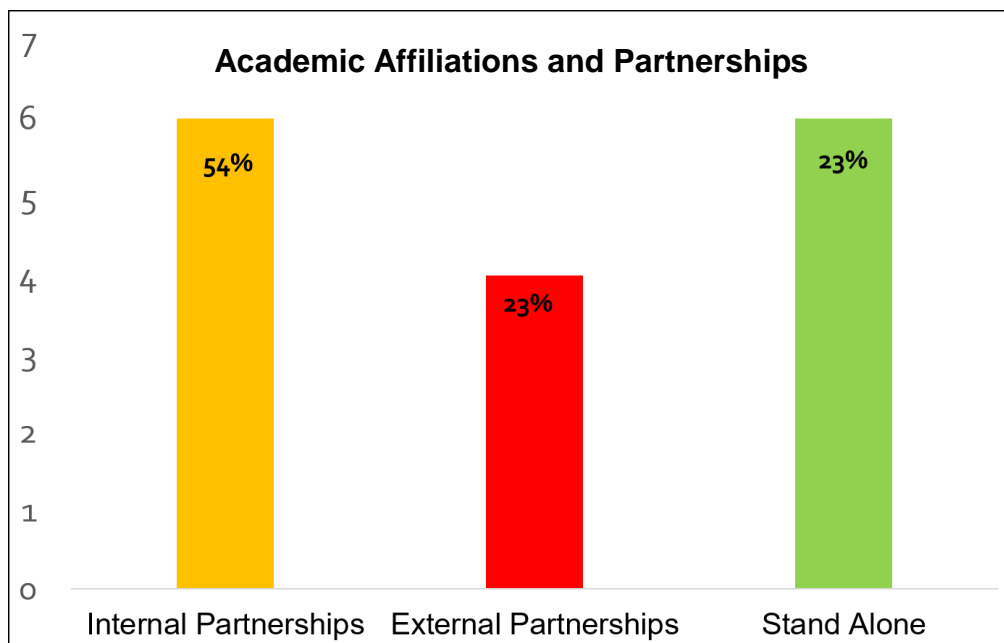


Figure 2 – Academic Affiliations and Partnerships (n=13)



International cultural relations, by its nature, depends on partnerships and collaborations and the programme structures represent this; only 23% of the programmes could be considered to be stand-alone programs; 54% specifically mentioned a formal affiliation, partnership or dual degree with an internal partner and 23% had formal external partnerships. Our analysis, confirms the interdisciplinary spectrum of the represented three fields: the 13 programmes represent ten affiliated departments/fields of domain as listed below.

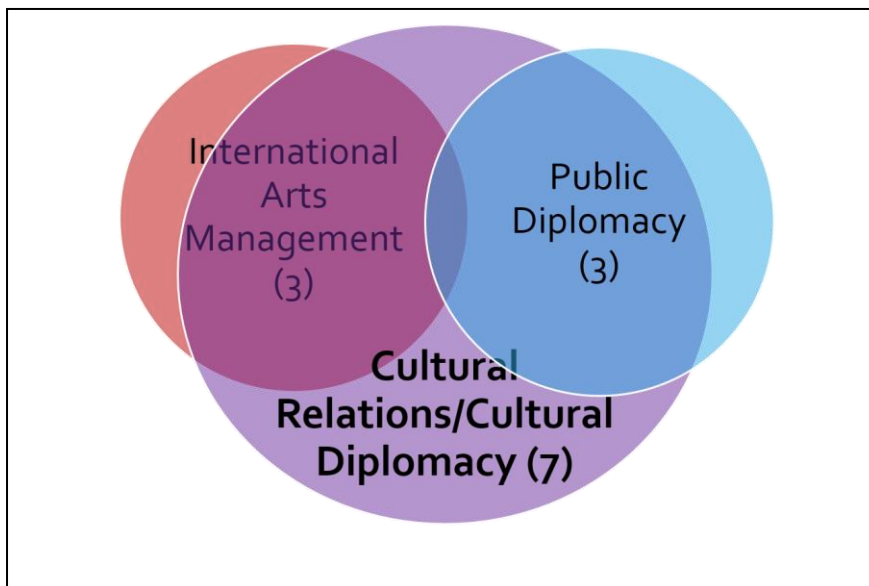
- Social Sciences and the Humanities
- Political Science
- Arts and Sciences
- Performing Arts
- International Relations
- Communications
- Economics
- Business School/Hautes Etudes Commerciales
- Management
- Cultural Studies

Only two programmes were alike in this regard: University of Southern California and American University shared an internal alliance between their schools related to arts, international and communications.

External partners went beyond universities to include multinational and regional organizations like ENCATC and UNESCO as well as professional organizations like EUNIC (EU National Institutes of Culture) and performing arts organizations globally.

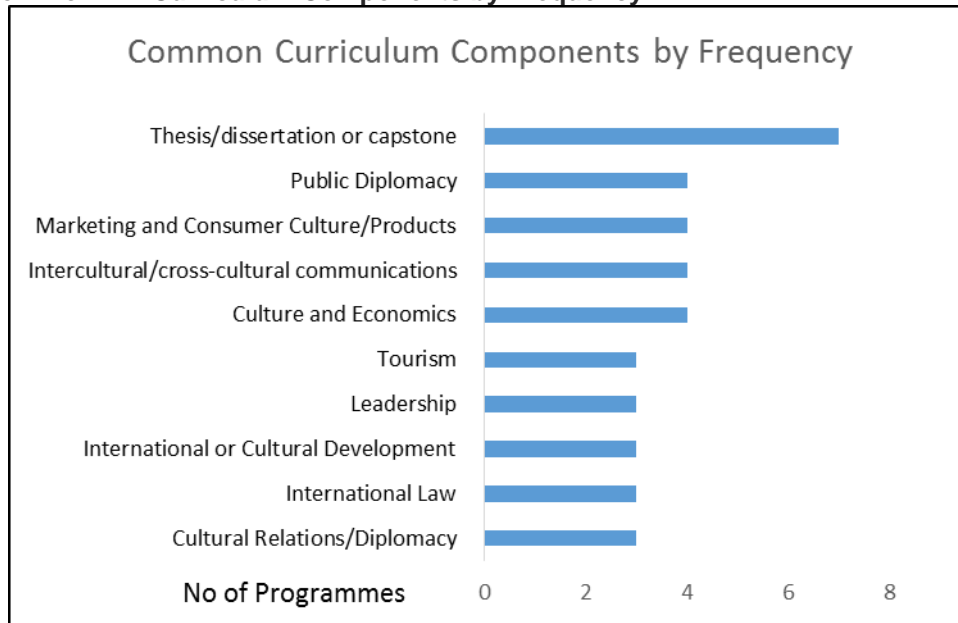
#### Duplication and Divergence

**Figure 3 – Convergence between International Arts Management, Public Diplomacy and Cultural Relations/Cultural Diplomacy Higher Education Postgraduate Programs below shows the overlap between the three related academic disciplines used to obtain a representational understanding of related international cultural relations programmes.**



For the nine MA programmes that listed their course requirements or indicated specific required and/or elective classes, it was possible to get a snapshot of the most common types of classes included in these types of programmes as seen in Figure 4: Common Curriculum Components by Frequency below.

Figure 4 – Common MA Curriculum Components by Frequency



The shared overlap between these three fields Public Diplomacy, Cultural Relations/Cultural Diplomacy and International Arts Management is slim and can be most frequently found through an intercultural communications, cultural diplomacy, cultural economics or Dissertation/Thesis/Capstone elective or requirement class. Overall, programmes included in this niche dataset also included marketing (and in two cases public relations), tourism, leadership, international or cultural development, international law and cultural relations/diplomacy (Goldsmiths, University of Westminster and Edinburgh.) While some of the core management skills mentioned before such as financial management, policy, fundraising and development, did not come up as frequently, often these skills are folded into classes like leadership or project development and thus it cannot be said that they are not included or are being neglected.

Within the context of risk societies considered by our collective colleagues this year at ENCATC, it is notable that only Goldsmith’s University of London had a modeling class formally titled using the phrase of ‘entrepreneurial’ which is included by ENCATC in its conference programme as a key intervention skill in addressing ‘at –risk’ societies. Additionally, only the International Public Diplomacy programme at Macquarie University has an elective class on Social Impact Assessment and Cross Cultural Negotiation (and it is notable that evaluation and impact is not recognized in its own right when included in most curriculum). This is especially pertinent because one of the most significant ongoing challenges of the field of international cultural relations has been to be able to measurably (both intrinsically and extrinsically) demonstrate change, value and impact of cultural interventions and activities. Only one programme (University of Westminster) had a module oriented around Public Engagement and Cultural Diversity; both concepts arguably essential in working with changing societies.

For the future, a further scientific analysis of curriculum resources would be useful. Currently, the impression given by the resources publicly available is that the majority of resources around cultural diplomacy used in these curriculums still has a large bias toward USA and British publications supplemented by European policy and research reports.

**Opening the Doors to Distance Learning**

Higher education (HE) as a sector is going through a process of diversification driven by massification and technology. As HE is increasingly recognized as a public good, an increasing number of people are drawn to

it: while in 1970 there were 28.5 million students in tertiary education<sup>3</sup> worldwide, as of 2012 there were 196 million – and UNESCO projections expect the number to rise to 263 million students in 2025 (UNESCO, 2015). The current numbers indicate that these numbers equate to around 3% of the global population aged 15-79. There is thus an immense potential for reaching out and educating for change, and the numbers become even more significant considering the above projections do not include online providers. It is thus relevant to note that the majority of the existing programmes examined do not privilege distance learning but that the programmes in the process of development or about to be launched tend to focus on that mode of delivery.

Distance learning has grown significantly with the internet alongside the growth in global labour markets expected to grow to 3.5 billion by 2030 according to a 2012 McKinsey and Company Report and this can represent an opportunity for the democratization of education. The EU projects that over the next decade, e-learning is projected to grow fifteen-fold, accounting for 30% of all educational provision (European Commission, 2014). On the other side of the pond, “Changing Course, Ten Years of Tracking Online Education in the United States”, a 2013 report commissioned by the College Board, found that US institutions were enrolling over 6.7 million students annually in distance learning, with the lowest annual growth at 9.3% and 32% of all students enrolled in at least one online course (Allen and Seaman, 2013: 4).

An advantage of distance learning is the ability to hire experienced academic and practitioner instructors globally who can amplify the resources of their affiliated institution while remaining mobile, working across time zones and thus being able to access and offer a more diverse network of resources to their students. The European Union within its activity of policy-driver for the modernization of higher education across Europe advises: “Traditional providers must diversify their offering and provide more courses online, especially targeting continuing professional development and lifelong learning. They should also be encouraged and incentivised to engage with newer forms of open, online courses as these become more established” (European Commission, 2014: 10).

Although it is recognized that a diversification of delivery modes and providers will enable further widening of access to higher education and a diversification of the student population, conservatism prevails in the existing higher education models analysed as the majority are delivered in the traditional face-to-face model. Signs of innovation through distance learning specifically for international cultural relations higher education programmes can be identified; two UK-based programmes both currently described as “international cultural relations” are planned for a 2017/2018 launch; that of the University of Edinburgh and that of the University of Westminster which had originally planned to launch in 2015 but was put on hold during an internal transition of the programme from the Social Science and Humanities to the faculty of Media, Art and Design in 2015/2016.

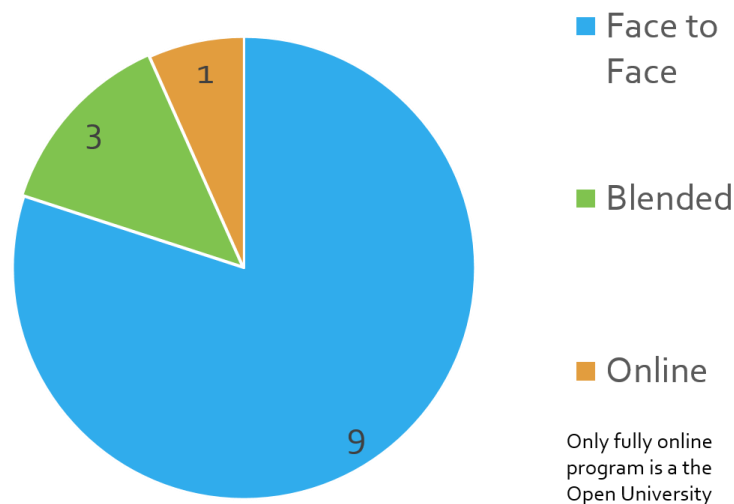
Currently, there are four programmes in the dataset used that qualify as distance learning: the International Relations and Cultural Studies MA at Open University in Switzerland (only fully online programme), the University of Westminster’s (London, UK) forthcoming online programme that will include one face-to-face geographically rotating two-week Leadership module, the University of Edinburgh’s forthcoming 2017 planned programme that includes both an online and traditional delivery model (counted in the blended learning category as it is presumed there will be connections and joint access to resources between their cohorts), and the Universitat de Barcelona which offers a blended learning experience with students preparing online to then meet for three weeks each January.

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<sup>3</sup> By tertiary education we mean: Bachelor, Master and Doctorate.

Figure 5 – Dataset Delivery Model Types (n=13)

## Dataset Delivery Model Types



Despite the advantages and expected increase of distance learning within the international arts and cultural management and international cultural relations sector, in itself, this delivery model is still considered to be derogatory in some circles even as these types of courses have the potential to mirror the real world working conditions of the types of activities that such professionals are responsible for; bringing together diverse individuals across borders in a way that creates conditions for mutual understanding through shared learning, collaboration and an exchange of ideas. As a result, one of the greatest current challenges is the inability for students applying for online degrees to qualify for higher education funding schemes and scholarships. Furthermore, there is a great deal of lingering suspicion of 'distance education' which can still be often mistakenly interpreted as a 'correspondence course' within the sector and thus not a serious or legitimate form of higher level or professional education even with university administrators. This is a very significant aspect that will need to be addressed through policy changes and advocacy on the part of universities to support their distance education courses in all academic disciplines.

Another common misunderstanding about distance or online learning, is that while face-to-face courses can be adapted (not copied directly) to the virtual learning environment, the pedagogy is quite different and curriculum design and delivery requires a greater time commitment than face-to-face instruction. Additionally, teachers need to be comfortable in adapting to specific needs of online students and whenever possible specifically trained to foster ongoing engagement within the cohort. Within some markets, there remains a common belief that distance learning may have a perceived lesser value than face-to-face learning, even though it does not require students to move, incur visa costs and related problems, or leave local employment in order to pursue their studies, and so is often priced at a lower rate than distance learning in other markets including the United States.

### **Conclusion: The Future of International Cultural Relations in Higher Education**

Since the Millennium, most residents of the world would say that their life has changed greatly. Smart phones and digital technology are pervasive in western societies enabling the development of transnational communities of belonging, while at the same time, the international mobility of people has drastic and rapid impact in national demographic makeovers, which does not always lead to the acceptance of cultural diversity. Although, collectively, we are seeing a large push back from populations and national/international

structures weary of the negative effects of globalization, on the other hand there are equally strong developing movements to enshrine cultural diversity and cultural rights, intercultural dialogue and mutual understanding as universal governance principles.

Today's societal challenges of cultural conflict, changing audiences, uncertain job security, and the search for identity and meaning in a landscape dominated by round the clock media and new technology as traditional funders withdraw their support from the arts and cultural sector, require from cultural professionals an increased awareness of the links between inter and intracultural dialogue around culture, identity and politics. However, with the contemporary complexity of actors and networks operating in international cultural relations, the leeway for entrepreneurial behaviours of cultural leaders to affect change in the systems in which they operate is increasing. This need has resulted over the past decade in a blossoming of niche interdisciplinary postgraduate university programmes of an interdisciplinary nature in international arts management, cultural relations/cultural diplomacy and public diplomacy. An analysis of 13 of these programmes representing the offerings available show that they most commonly shared a curriculum around international or intercultural communication, cultural economy, cultural relations/cultural diplomacy and a dissertation/thesis/capstone. However, arts/cultural managers/administrations who want to make a difference tomorrow, must develop additional sets of knowledge and skills through applied and experiential learning that support management and leaderships competences to enable them to be effective in a complex and ever-changing environment through cross-sectoral networks linking local and global. Thus, the higher education institutions they choose to guide their education and training today, as the sector undergoes radical changes that are forcing a slow embrace of distance, inter or transdisciplinary programmes, and applied theory models of experiential learning, have to face equally difficult operational changes to prepare themselves to make meaningful contributions to their students, societies and remain relevant in an age where they must compete with short courses, weekend trainings and specialized offerings from professional organizations.

For international cultural relations, there remain several key areas in higher education that need to be developed to bolster its legitimacy and sustainability. The authors of this paper intend to pursue an ongoing research agenda around these topics in order to continue to improve the value offerings to students and the societies they work in for this niche field. First, from a policy perspective, there is no accrediting body and second, links to longstanding student funding schemes have not been expanded to include distance learning. Future projects need to include long term tracking of graduate career progression along the model provided by SNAAP (Strategic National Arts Alumni Project), and complimented by research done using the former Cultural Policy Professional Database. Higher education programs can be a safe place for individuals to grow and develop which is often captured through reflective activities; what is currently missing are feedback forms that tie together the goals of international cultural exchanges, as articulated in Fullman (2009), to include mutual understanding, cross-cultural communication, perspective changes, future collaborations, and artistic products with the outputs of higher education programs in this field. Finally, there have not yet been direct links established between future core competencies of prospective employers and curriculum although new research is expected on this front over the course of 2016.

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## **Heritage values: some evidence from the Italian insurance market**

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### **Abstract**

It is well known that the economic valuation of a heritage asset struggles to define its multiple values in overall financial measures. The economic and managerial literature suggests and discusses different methods, among which are those based on a compensation approach, assuming that the economic value of a cultural good is close to the risk of losing it. The paper deals with this topic in a broader context, aiming to explore how the Italian insurance companies determine the value of a heritage loss and ultimately if the insurance value can be a reliable measure of a heritage asset.

To this end the paper describes and discusses the results of an extensive survey carried out in 2015 on a sample of 88 companies and 7 top manager operating in the Italian insurance market of Fine Art and Jewellery.

Keywords: Heritage Assets, risk management, economic value, deprival value, heritage accounting

### **Introduction**

In the financial accounting studies, specifically those engaged with the International accounting harmonization facing the public sector (Anselmi et al., 2009), one of the most debated and controversial themes is currently the recognition and measurement of the heritage assets in the financial statements of a public-owned entity.

Generally, the main debated issues concern the inclusion of a heritage item in the balance sheet of a cultural organization as an asset and the notion of accountability to use in order to represent its value considering its characteristics and the problems concerning the reliability of its financial measurement (Aversano and Ferrone, 2012).

Specifically, discussions focus on the recognition of the potential economic benefits or service potential embodied in a heritage item (in terms of value-in-use or value-in-exchange), thanks to that it would be possible to recognize it as an asset in the owner's balance sheet.

On this issue there are several positions in literature, ranging from those who agree with the definition of a heritage item as an *asset* (Rowles 1992; Micallef and Peirson 1997), to those who recognize other features,

such as *liability* (Mautz, 1998), or *trust asset* (Barton 2000, 2005), or *facility* (Carnegie and Wolnizer, 1995) or *community asset* (Pallot 1990, 1992). For the authors who do not acknowledge that heritage items have the nature of assets, there is not a problem with financial measurement, since they are goods without financial features to be measured. In other words, these goods do not have an economic value, since it is not possible to identify either a value-in-use, because the related services are social and cultural in nature, or a value-in-exchange, because usually the related legal framework does not allow for their sale.

Nevertheless, the dominant position, also considering the emerging trend among the renowned accounting standard setters (FASAB, SFFAS 29; Treasury Board of Canada, Accounting Standard 3.1 and FAM 2201; Australian Government, ACT Accounting Policy – Heritage and Community Assets; ASB, FRS 102; IPSASB; IPSAS 17) seems to be the acknowledgment of heritage items as assets when inflows of economic benefits or service potential are discernible and measurable through reliable financial measures.

For Rowles (1992) and Micallef and Peirson (1997) their inclusion in the balance sheet of a cultural organization is essential for a better performance, being possible to measure their economic value even if usually they are not saleable. Moreover, Rowles (1992) suggests the possibility to measure the economic value of heritage items having as reference the *market selling price*, or *the current replication cost*, or a *value of zero* in the absence of an alternative use of the heritage asset. However, Micallef, Sutcliffe and Doughty (1997) deem as most appropriate the measurement basis focused on the so-called *deprival value* or *value to the owner*.

However, regardless of the approach adopted, it is almost unanimous that the determination of the economic value of a heritage asset presents highly complex and arbitrary profiles. This is mainly due to the presence of cultural and social features, which can hardly be captured by quantitative-monetary-type measures. Therefore, the recognition and the measurement of the economic value of these assets should promote a broader concept of accountability, going beyond financial measures to consider qualitative data (Carnegie and West 2005).

The paper deals with this topic, focusing on methods to determine the economic value of a heritage asset, specifically those assuming as measurement basis a compensation approach and as proxy the insurance value of the heritage item, trying to discuss the reliability of this financial measure. It is structured as follows. In the next section it offers an overview of the different methods debated in literature to assess the monetary value of a heritage asset and in the second section it describes the research aim and methodology. Then, it presents the results (sections 3 and 4) and ends with the discussion of the findings and main implications for the accounting practice and studies.

## 1. Methods for the economic evaluation of a heritage asset

As in the current IASB Conceptual Framework (2010: paragraph 4.37) «Recognition is the process of incorporating in the balance sheet or income statement an item that meets the definition of an element and satisfies the criteria for recognition set out in paragraph 4.38. It involves the depiction of the item in words and by a monetary amount and the inclusion of that amount in the balance sheet or income statement totals». According to the recognition criteria (IASB 2010: paragraph 4.38) an item should be recognized in the financial statement of the reporting entity «if it is: a) probable that any future economic benefit associated with it will flow to or from the entity; and b) it has a cost or value that can be measured with reliability».

The first criterion deals with the economic characteristics of the item under recognition, while the second criterion focuses on the need to identify a monetary measure that meets fundamental and enhancing qualitative characteristics of useful financial information (IASB 2010: chapter 3). The fundamental qualitative characteristics are (IASB 2010, QC5-QC18): - relevance, when information has predictive and confirmatory value, being capable of making a difference in a user decision; - materiality, if omitting the information or misstating it could influence user decisions; - faithful representation, if the information is complete, neutral

and free from errors in representing the phenomena that it purports to represent. Moreover, the enhancing qualitative characteristics are (IASB 2010, QC19-QC34): - comparability, if it is consistent and can be compared with similar information about other entities and about the same entity for another period; - verifiability, if different knowledgeable and independent observers can reach consensus about the faithful representation of the phenomena; - timeless, available to decision-makers in time to be capable of influencing their decisions; understandability, if the information is presented clearly and concisely.

To these ends the cost constraint applies anyway (IASB 2010, QC35-37). Thus, an item is not recognized if the benefits of recognition do not justify the costs.

As for the first criterion applied to a heritage asset, in economics and management studies, the economic value of the cultural heritage is closely related to the possibility to generate a flow of services that can be consumed as private and/or public goods (Throsby 1999).

Generally, cultural goods may have tangible forms (i.e. monuments, archaeological sites, paintings, sculptures, etc), or intangible forms (i.e. ideas, practices, beliefs, traditions, etc.) and, compared to other types of goods, they embody a cultural value, because of their aesthetic, historical, cultural, and/or social significance. Moreover, they usually belong to the category of public goods, since they are unique commodities that are not freely available on the market, or not traded at all, and they are to be shared and used by many people.

The reference frame to identify the values embodied in a cultural good is usually that of the total economic value (TEV), which covers use and non-use values. While the use-values are directly or indirectly connected with the act of using a cultural asset for individual/private benefits, the non-use values do not require the use of the heritage asset, deriving from social and cultural benefits for individuals and communities associated with its mere existence and the satisfaction individuals derive from the knowledge that the cultural asset is maintained and that other people have or will have in accessing it.

Figure 1 offers an overview of the different use and non-use values as collected by Vecvagars (2006:20) on the basis of the relevant literature.

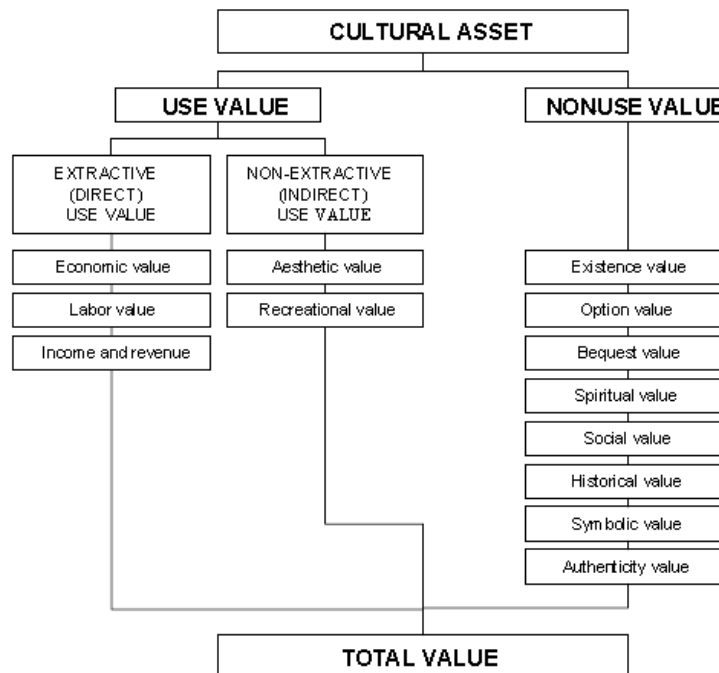
As for the second recognition criterion, literature in the field of the assessment of the total economic value of a cultural asset suggests several methods based on a monetary analysis approach. These are methods based on the notion of consumer surplus and the assessment of the so-called individual's willingness to pay (WTP) or accept compensation (WTA), expressing individual utility and preference satisfaction for a good or service (Nijkamp 2012: 83-84). Thus, the measurement problem has brought individual preferences to the attention, converting them into monetary terms, most frequently applying the WTP approach, which uses a range of survey formats to generate measurable pseudo market values.

For goods and services traded on the market, the price provides a measure of these preferences which is more or less correct, but as for heritage items usually there is no market, there is not even a price or rate to refer to. Moreschini (2003) identified two criteria to classify the methods that can be applied to value individual preferences: a) if the method obtains them directly, through statements of such respondents, or indirectly, through the analysis of their behaviors; b) if the method is based on a real or hypothetical scenario. Table 2 summarizes the four combinations as found by Moreschini (2003: 8) on the basis of Mitchell and Carson (1989) and Santagata (2000) findings.

Among the stated preference methods, the contingent valuation method is the best known and most used, as it is the only one that can estimate the non-use values (Tuan and Navrud, 2008:326).

It is a method based on constructing a hypothetical market for the goods or services to be valued and then attaching prices to them by asking directly a random sample of people about their maximum willingness to pay (or minimum willingness to accept) for a change in the level of provision of the good or service (Mourato et al. 2000:89), by means of an appropriately designed questionnaire.

Figure 1 – Use and non-use values attributed to a cultural asset



Source: Vecvagars, 2006: 20.

Table 2 – Method typologies

Method	Indirect (Revealed preferences)	Direct (Stated preferences)
Real Scenario	<ul style="list-style-type: none"> <li>• Travel cost method</li> <li>• Hedonic price method</li> <li>• Compensation cost method</li> </ul>	<ul style="list-style-type: none"> <li>• Referenda</li> <li>• Experiments</li> </ul>
Hypothetical Scenario		<ul style="list-style-type: none"> <li>• Contingent Valuation (CV)</li> <li>• Conjoint analysis (Choice modeling)</li> <li>• Delphi Technique</li> <li>• Focus groups</li> </ul>

Source: Adapted and translated from Moreschini (2003: 8).

Carson (2012) offers a comprehensive bibliography on the history, application and evolution of this method and several case studies in the cultural sector can be found in Noonan (2003) paper.

The economic literature (Throsby 2003, Mitchell and Carson, 1989) has discussed the several biases that affect the data validity of the method, most of them are related to the underlying assumptions and to the choices on how the method is applied. Practically it is costly, it requires expertise and can produce misleading results if carried out poorly (Pearce and Ozdemiroglu 2002: 29).

Conjoint analysis or choice modelling is an attribute-based method (Holmes and Adamowicz 2003), and like the contingent valuation method it is based on extensive surveys. It consists in describing different ensembles of scenarios expressing policy options regarding attributes and characteristics of a good or service. They are presented to individuals, who have to rank them in order of preference (Pearce and Ozdemiroglu 2002:54). Rather than directly asking willingness to pay, individuals are asked to choose among clear options, avoiding many of the technical and practical criticisms of contingent valuation (Tuan and Navrud 2008; Snowball 2008).

Unlike the previous methods, the Delphi Technique and focus groups are less expensive and use the opinions of a panel of experts with different background as primary data (Sackman, 1975).

Among the indirect methods, the travel cost method and the hedonic price method are the most used, both of them deriving the value of a cultural asset from the selling price of surrogate markets.

As for the travel cost method, it analyses the consumer's behavior to get out his/her preferences for a cultural asset by considering the time and the travel costs to visit it. The number of visits per year, the distance travelled as well as the value of time (opportunity cost) spent in travelling and enjoying the site, commonly valued by using the hourly wage of the respondent, serve for calculating its value. They are considered as a proxy of the recreational value of the cultural asset (Bedate et al. 2004)

As for the hedonic price method, it usually considers the real estate prices as a proxy of the use value of a cultural asset, assuming that those prices are affected by certain characteristics of the environment in which the property is located (Navrud and Ready 2002). Practically, the total value of a good is broken down into constituent parts, to see to what extent individual aspects of the good or service contribute to the overall value (Rosen, 1974). Then, the regression techniques are used to develop a model that would explain differences in housing unit prices, aiming to reveal the price variations by comparing properties with same attributes in environments that differ for the presence of the cultural asset under evaluation. That price variation is considered as the value that the real estate market recognizes to that asset (Moreschini 2003).

Both indirect methods present two main limitations: firstly, they do not allow the measurement of non-use values; secondly, the result strongly depends on the quality of statistical data processing and mining.

Finally, the compensation methods base the final results on the assumption that the economic value of a cultural good can be estimated by observing the real consumer's behavior related to the alternative choices. According to this approach, individuals express their willingness to pay for a good or service no more available through the purchase of alternative available goods. The selling price of those alternative goods can be considered as the proxy of the economic value recognized for the cultural good under evaluation (Klamer and Zuidhof, 1999). Substantially they seek to find the sacrifices and revenues involved with a change in the availability or quality of a cultural asset (Nijkamp 2012: 89). Among others, the most used methods are those based on a cost compensation approach, assuming that the value of cultural goods or services is equal to costs of replacing, substituting, restoring goods or services (Vecvagars 2006: 34). They presuppose substitutability of the good concerned, thus they are intrinsically limited considering that the main feature of cultural assets is usually their exclusivity or uniqueness. To this regard, Nijkamp (2012: 89) suggests that «the system of insurance values and insurance premiums offers some way out».

Unlike the previous direct and indirect methods, those based on a compensation approach are considered less expensive and time consuming and can be more easily applied for very approximate estimates (Vecvagars 2006: 34).

## **2. Research aim and methodology**

From the literature review, as briefly described in the previous section, anyone could deduce that there is no method without any limitations that can assure the reliability of the financial information measuring the economic value of a cultural asset to be recognized in the financial statements of the owner-entity. It is very difficult to have a faithful representation of the total economic value of a cultural asset due to its main specific – and very often unique – features of a non-market good, as well as the multidimensional nature (cultural, social, economic, aesthetic, etc.) of the benefits it can generate and the related difficulties to estimate the inherent interdependent effects.

Moreover, the cost constraint principle leads evaluation process to consider carefully the trade-off between the costs and the benefits of such evaluation in the light of the information purposes assigned to that process in the organizational context of the owner-entity.

The paper deals with these issues and research field, aiming to integrate the state of art with evidence coming from the insurance system. Literature on the topic of the economic valuation of heritage asset does not offer any contribution exploring how the insurance companies determine the insurance value of a cultural asset.

Nevertheless, museums, auction houses, art dealers and private individuals get cover for their works of art. It is a niche market, but it exists (The Economist June 7<sup>th</sup> 2001; RCP 2010, Heft 2012) and in some Countries, such as Italy, getting cover for collections is mandatory in order to be authorized to transport them inside and outside the border. Transporting works of art is a risky undertaking therefore the museums tend to evaluate their collection for lending and borrowing purposes, even if in different ways across Countries (EENC 2012). How do the insurance companies assess the value to insure? This is the main question at the heart of this paper.

In order to answer the question, the paper describes and discusses the results of an extensive survey carried out in 2015 on a sample of 88 companies and 7 top manager operating in the Italian insurance market of Fine Art and Jewellery. The research carried out aimed at exploring how the Italian insurance companies determine the value of a heritage loss and ultimately if from that evidence the insurance value can be considered a reliable financial measure of a heritage asset for accounting purposes.

The sample is composed of 88 insurance companies that represent the total population operating *in the* Fine Art and Jewellery field in Italy at 03.03.2015, and has been selected as follows:

- 35 out of 124 Italian insurance companies from the official register of IVASS – *Istituto per la Vigilanza sulle ASSicurazioni*.
- 12 out of 91 foreign insurance companies authorized to work in Italy, listed in the official register of IVASS– *Istituto per la Vigilanza sulle ASSicurazioni (Elenco I)*;
- 41 out of 41 insurance broker companies from the Registro Unico degli intermediari Assicurativi - sezione B, at IVASS– *Istituto per la Vigilanza sulle ASSicurazioni*.

For the survey, it has been used a questionnaire composed of 20 questions: 17 close-ended questions and 3 open-ended questions. All the companies within the sample were interviewed, but the survey response rate was around 23%, in the amount of 7 insurance companies and 13 insurance broker companies. These are the Italian insurance companies actively operating in the Fine Arts insurance market in 2015: 36% of the sample has been working for 40 years, 19% for over 25 years and 45% for about 6-9 years.

Moreover to deepen the knowledge of the sector, and in particular of the risk assessment process, we interviewed 7 top manager from: Assicurazioni Generali S.p.A, Nationale Suisse - Italy, Schweizerische Rückversicherungs-Gesellschaft (Swiss Re), Aon Plc - Italy, Desmos S.p.A., Scagliarini Andrea S.p.A., MAGJLT S.p.A.

### **3. The Italian insurance market in the Fine Art and Jewellery field**

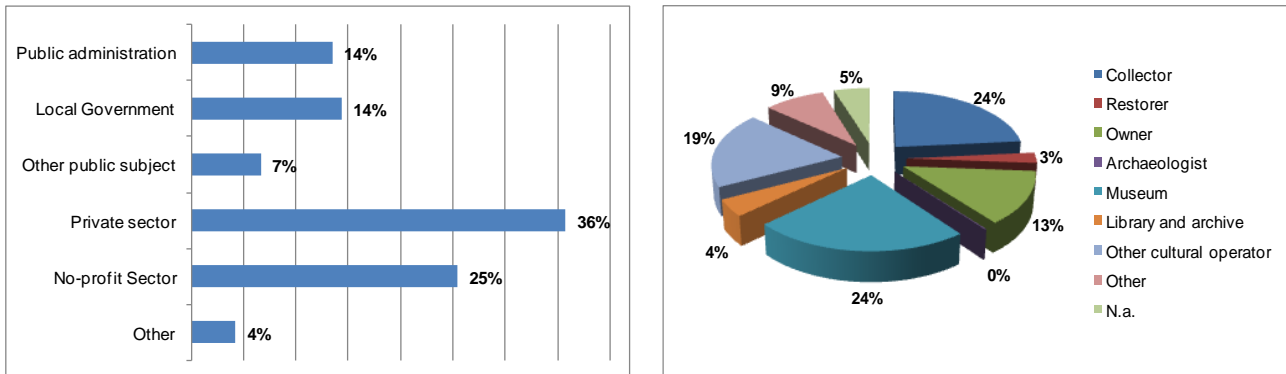
In this section, we describe the survey results to offer a general overview of the insurance sector in the field of Fine Arts in Italy, in terms of who buys art-insurance policy, insurance objects and guarantees, typologies of risks covered and insurance contracts, and main aspects of the risk assessment process.

As we can observe from figure 2, the main customers of an art-insurance policy come from the private and not-profit sectors (respectively 36% and 25%). In the Italian public sector, insuring heritage is still a little common practice, despite the majority of the Italian cultural heritage belongs to public entities.

In more detail, they are mainly private collectors (24%) and museums (24%), or owner of historical buildings (13%). Moreover, other cultural operators (19%), such as associations and foundations organizing cultural events, insure their collections. Public libraries and archives, restorers and archaeologists are very marginal subjects in this insurance market.



Figure 2 – Who buys an art insurance policy



Source: own elaboration.

They buy an insurance policy to preserve collections or cultural valuable buildings from various risks.

As for the insured objects, the figure 3 shows that they usually are: works of art, such as paintings, sculptures, reliefs, statues, mosaics, tapestries (35%); historical buildings (27%); books, such as manuscripts, incunabula and prints (14%) and archivist items, like maps and parchments (6%); archaeological objects, such as prehistoric materials, bronzes, terracottas (8%), and restoration works (5%).

Usually, in 80% of the cases the insurance policy regards the collection as a whole, but it can also provide insurance for single items.

As for the movable heritage, the guarantee mostly required concerns the loan and the transport inside and outside the national borders. Indeed, in Italy it is mandatory to buy an insurance policy to be authorized to transport heritage items inside or outside the borders for loan or transport purposes (art. 48 Italian Cultural heritage Code). They buy insurance policies because they need to be protected from theft or unwise conservation, accidental damages incurred during transport and loan operations.

Moreover, the insurance guarantee of the immovable heritage mainly concerns the restoration works.

More in detail, the figure 4 shows the different motivations that persuade collectors, museums, owners to get cover for their cultural properties: most of the risks are those regarding a potential heritage loss due to an accidental damage (23%), theft (20%), custody (16%), a damage incurring during transport (15%) and so on. Among the contract typologies the "Nail to Nail" contract and the "All Risk" contract are the most demanded, respectively by 30% and 36% of the companies interviewed.

The former is used to get cover for movable heritage assets when they are engaged in transport operations from one place to another for temporary exhibitions or loans. Usually collectors and museums sign this type of contract requiring coverage from the time the collection or the single item is moved from its original location until it is returned there. Consequently, the "Nail to Nail" contract covers any damage that may be occasioned to the item both during its various transport operations and during the various periods it spends in the place where it is exhibited or on the premises of customs, packers and restorers.

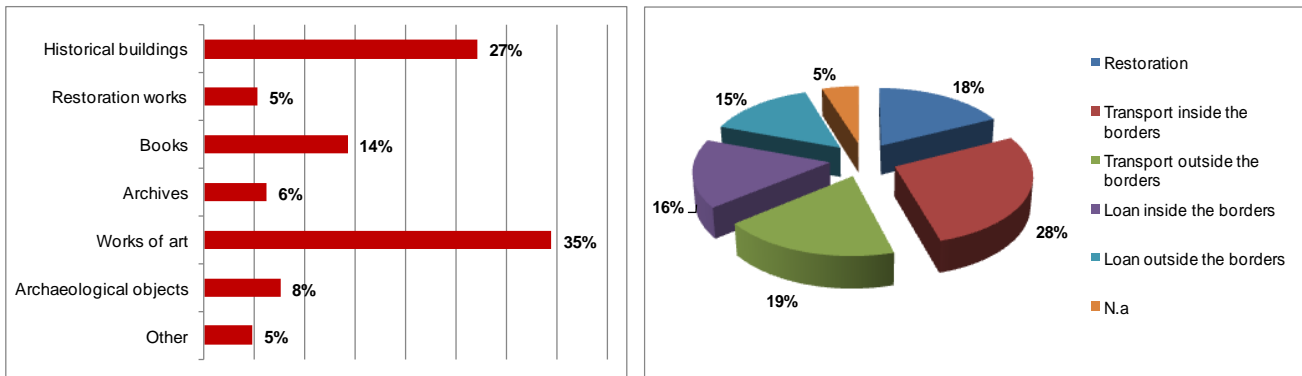
The "All Risk" coverage is broader and it is used for potential loss arising from any fortuitous cause agreed in the contract. For example, in the case of art collectors it covers any risks of physical loss or damage arising from theft, fire, harmful events, and so on.

Moreover, for specific risks there are other types of contract, such as the "Multirisk" and the "Temporary Risks" coverage.

Anyway there is a tendency toward tailor-made insurance products able to satisfy the client needs at best, since the relationship with the client and his(er) trust in the company are the most important aspects that the insurance companies consider as strategic in the management of the risk process.

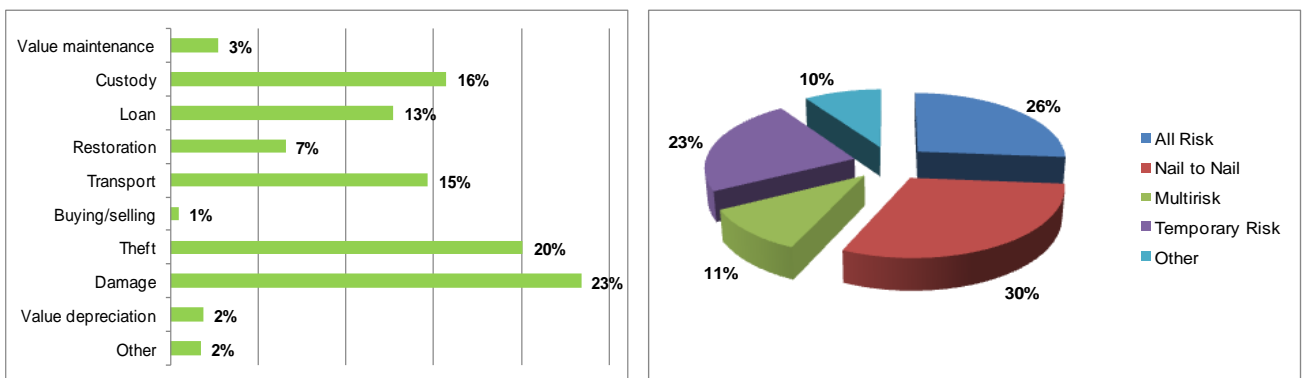
Figure 5 helps us to introduce the risk assessment process carried out by the insurance companies interviewed when they decide to reimburse someone for a heritage loss.

**Figure 3 – Insured objects and guarantees**



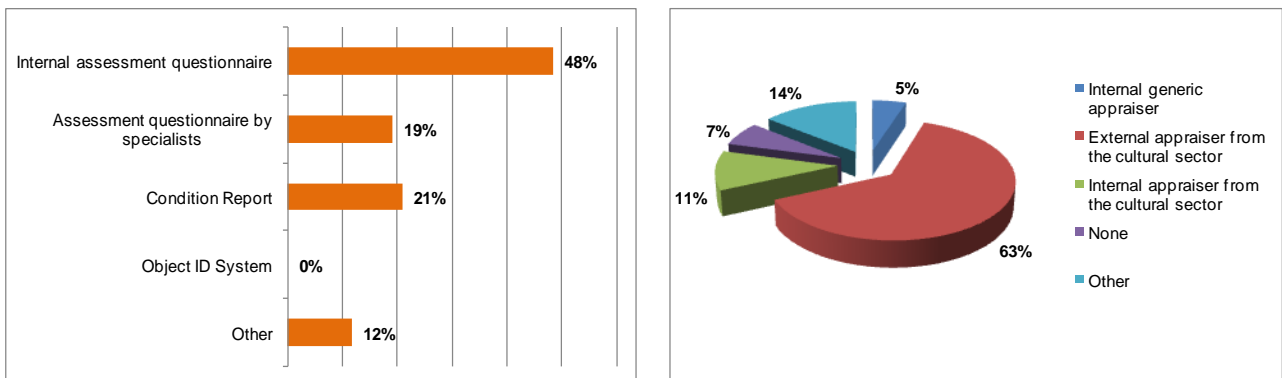
Source: own elaboration.

**Figure 4 – Typologies of risks covered and insurance contracts**



Source: own elaboration.

**Figure 5 – Tools and appraisers for the risk assessment**



Source: own elaboration

The process starts with the collection of relevant information to define the insurability of the item under coverage and the related insured value.

They can use different tools to gather information: the most used are the internal assessment questionnaire (48%) whereby gathering relevant information about the insured objects, client and risks to cover, and the Condition Report (21%). The latter is generally used in loan operations to know the conditions of the object and its capacity to be lent. The Condition Report is filled in by a professional and photographs or sketches can be attached.

Many insurance companies check the status of the object to be insured by consulting the Art Loss Register, whereby it is possible to gather information about the buyer or the seller and the loss registered for theft or other reasons. Moreover, the insurance companies ask their clients to sign a document attesting the preservation status of the items before signing the insurance contract.

Generally the assessment process is carried out by external appraisers who are professionals from the cultural sector (63%) and only 14% of the interviewed companies turn to non-specialized employees.

The method to assess the value to be insured, and consequently the insurance premium, can follow three main different leading criteria: the agreed-value basis, the stated-value basis, and the market-value basis or actual cash basis.

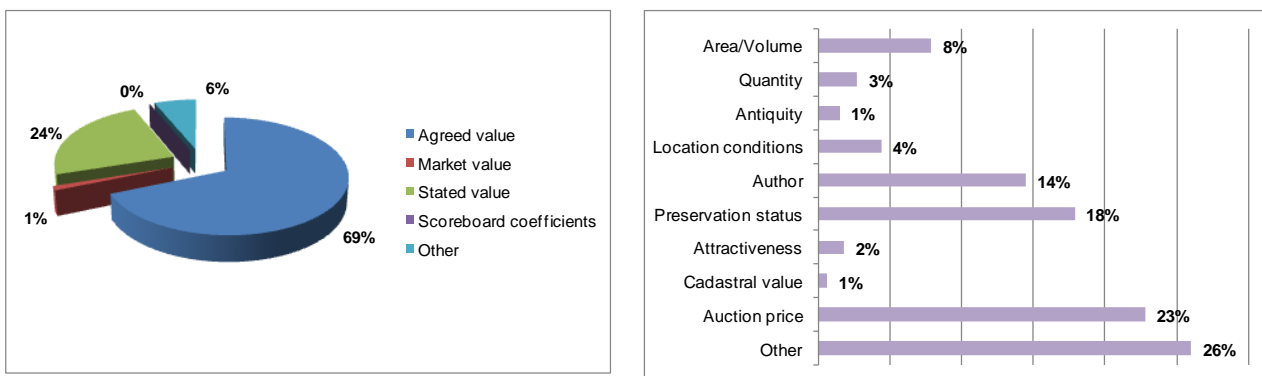
According to the agreed-value basis, the refundable amount is calculated on the basis of a monetary appraisal done by a professional engaged by the insurance company, which is then accepted by the client when signing the insurance contract.

As for the second criterion, the so-called stated-value basis, the refundable amount depends on a statement done by the insured client. It gives the client the responsibility of the reported value. It is the client who decides the value to be insured and has to prove it in case of a claim.

Ultimately the market-value basis or actual cash value corresponds to the replacement cost minus any depreciation. The replacement cost is the cost to replace the item on the same premises with another property of comparable material and quality used for the same purpose. It represents the monetary amount a client could expect to receive for the insured item if s/he sold the item in the marketplace. Of course, it is applicable when a market exists for that item.

From Figure 6 we can observe that in Italy the most used criterion in assessing the insurance value is the agreed-value (69%). Also the stated-value basis is often used (24%). However, in assessing the value there is not a standard of reference: the same insurance company can adopt one method or another according to the typology and the importance of the client.

**Figure 6 – Criteria and parameters for the insured value**



Source: own elaboration.

Moreover, in assessing the value, regardless of the basis used for valuation, the appraiser will consider different parameters. The most used are: the auction price (23%), the preservation status (18%), the author reputation (14%), the area/volume (8%) and the location conditions (4%).

More details on these aspects will be given in the next section.

However, almost 50% of the insurers interviewed declared that the value assessment is usually carried out on a subjective basis taking into account the trust relationship with their clients as well as the client's reputation in the sector.

Ultimately, the table 2 shows a summary of the main features that characterize the insurance policy in the Fine Art field in Italy, according to the different insurer typologies.

**Table 2 – Summary per insurance company typology**

	<b>Italian insurance companies (Section I – IVASS)</b>	<b>Foreign insurance companies working in Italy (List I – IVASS)</b>	<b>Insurance broker companies (Section B – IVASS)</b>
<b>Insurance contract</b>	All Risk Temporary risk Nail to nail Multirisk	Nail to nail Temporary risk All Risk Multirisk	Nail to nail Temporary risk All Risk Multirisk
<b>Policy-holder</b>	Collector Museum Restorer Owner Other cultural operator Library and archives Archaeologist	Museum Collector Library and archives Owner	Collector Museum Owner Other cultural operator Library and archives Restorer Other Archaeologist
<b>Insured object</b>	Works of art Books Archaeological objects Archives Historical buildings Restorations	Works of art Books Archives Archaeological objects Historical buildings Restorations	Works of art Historical buildings Books Restorations Archaeological objects Archives
<b>Coverage</b>	Restoration Transport inside the National borders Loan inside the National borders Transport outside the National borders Loan outside the National borders	Transport inside the National borders Transport outside the National borders Loan inside the National borders Loan outside the National borders Restoration	Transport inside the National borders Transport outside the National borders Loan inside the National borders Loan outside the National borders Restoration
<b>Risks under coverage</b>	Damage Theft Loan Custody Transport Restoration Value depreciation Value maintenance	Theft Custody Transport Damage Loan Restoration Value maintenance	Damage Theft Transport Custody Restoration Loan Value maintenance Value depreciation Buying and selling
<b>Tools for the risk assessment</b>	Internal assessment questionnaire Condition Report Assessment questionnaire by specialists	Condition report Internal assessment questionnaire	Internal assessment questionnaire Condition report Assessment questionnaire by specialists
<b>Criteria for insured value assessing</b>	Agreed-value on the basis of an appraisal Stated-value Market-value	Stated-value Agreed-value on the basis of an appraisal Market-value	Agreed-value on the basis of an appraisal Stated-value

Source: own elaboration.

Our perception, based on the evidence of the sample investigated, is that in this insurance field there are few highly specialized operators able to offer adequate business solutions to those who want to insure some

heritage assets. The sector requires extensive expertise, above all in the risk assessment process, and the art-insurance demand is still too low compared to the international trend to buy an insurance policy to get cover for movable and immovable heritage assets. Generally, there is little attention toward this tool to preserve cultural heritage.

These are the main reasons why in Italy those companies prefer to select the typology of risk to insure, focusing mainly on transport which seems the most collectable risk.

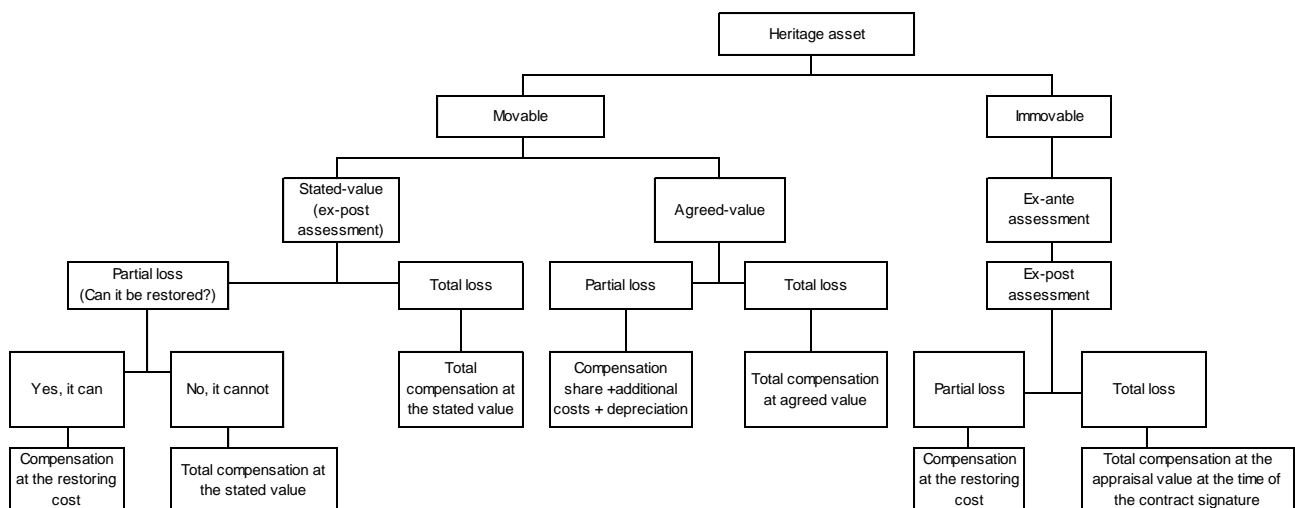
The field is a very niche market: the client portfolio who buy an art-insurance policy is about 1% or 2% of the total insurance client portfolio with some exceptional cases accounting for 10% that are for the greatest part exhibition organizers. The market appears to be growing but the art-insurance demand is still to be well defined.

#### 4. The insurance value of a heritage asset: is it a reliable measure?

In this section we describe the combined results deriving from both the quantitative survey and the in-depth interviews with 7 insurance top manager to better understand how the insurance companies determine the insurance value of the heritage assets under coverage, that is the monetary amount that the insurer has to refund in the case of damage, loss or destruction of the insured item.

First of all we understood that the insurance company will follow a different assessment process according to the movable or immovable nature of the heritage item to be insured. Of course all the considerations have to be contextualized to the Italian insurance practice, that, as we described in the previous section, mainly regards movable heritage assets (an entire collection or a single item) for potential losses arising from transport and loan operations and to a lesser extent involves immovable heritage assets with the main aim to cover restoration works. Figure 7 shows the related flowchart.

Figure 7 – Assessment process flowchart



Source: own elaboration

As for movable heritage items, that are those we can transport from one place to another without compromising them - such as paintings, sculptures, coins, musical instruments - the value assessment can follow an ex-post or ex-ante process depending on whether you decide to sign the insurance contract with the “stated-value” condition or with the “agreed-value” condition.

In the first case, the insurance value will be stated by the client under his(er) own responsibility at the time of signing the contract. In the second case, the insurance value will be estimated by the insurance company and accepted by the client when signing the insurance contract. The different assessment processes will lead to a different management of that value in case of a claim.

Indeed, with a “stated-value” condition, the client will be refunded with the total or the partial value of the asset after an appraisal done by the insurer after the claim is made and on the basis of the actual damages compared with the stated value. On the contrary, with an “agreed-value” condition, the client will be refunded, without any further appraisal, a compensation amount equal to the agreed value in the case of a total loss, or a compensation share plus additional cost and depreciation in the case of partial loss.

As for immovable heritage assets, such as monuments, historical buildings, archaeological sites, etc., the assessment process will be different. The insurance company will assess the insurance value twice: the first at the time of the insurance contract signature; the second at the time of the claim occurrence, being either total or partial.

The company will refund a compensation amount equal to the value of the damages incurred in the case it is possible to restore the asset, or a total compensation amount equal to the appraisal value at the time of the contract signature. These compensation amounts will take into account only the asset use value, taking place the common standard process for the appraisal of an ordinary building without considering its cultural value. However, regardless of the time when the assessment process takes place, a common aspect is the appraisal of the insurance value that is the monetary quantification of the equivalent alternative to the heritage loss.

From the data reported in the previous section, we noticed that usually the insurance companies appoint external professionals from the cultural sector to determine the monetary value of the insured items and the related total or partial loss. About the modalities whereby the appraisal takes place, the top managers interviewed clearly explained that the Fine Arts insurance is a non-rated field, therefore it does not use benchmarks to identify a unique criterion for determining the insurance premium. The appraisal follows a tailor-made procedure that, thanks to the advice of a team of professionals, allows to quantify the insurance value case by case and client by client. Generally, it applies the following principle: the higher is the value recognized to the insured item the higher will be the insurance premium to be insured against potential damages incurred; and where applicable, it is preferable referring to the actual market price.

However, despite appraisals take place according to custom procedures, it is possible to identify some common value references that usually appraisers consider in valuing a cultural asset, even if the parameters they use are not standardized. On the basis of the interviews it emerges indeed that the appraisal process develops through the assessment of some value aspects, that are: Authenticity; Commercial value; Historical value; Cultural value; Emotional value; Financial settlement.

As for authenticity, the appraiser tries to assess the existence value of the cultural item, by gathering information on the item and about its management history in terms of preservation, fruition and security status. To determine the commercial value, some benchmarks are the economic evaluation provided by the auction houses or specialized galleries and the author/artist reputation. With reference to the historical value, the appraisal focuses on technical information regarding the historical significance and importance of the item, considering also the related area of relevance, the concentration level and the potential costs of restoration, reconstruction or renovation. It includes also the depreciation value and a spread which takes into account, respectively, the actual financial loss at the time of claim occurrence and the artistic and historical devaluation caused by the damages incurred.

For the cultural value appraisal, it is usually taken into account the affinity of the asset at a given historical and cultural context, its origins, its history in terms of presence in exhibitions, conferences and cultural events of recognized importance. The cultural value includes also the educational and scientific value in use

of the asset. In terms of emotional value, the appraiser tries to gather information about the intensity of the sentimental relationship between the item and the owner/insured person. The actual status of the asset and its history in terms of restoration works are usually considered as revealing symptoms of the emotional involvement level.

All the information about the authenticity, historical –cultural-emotional values leads the appraiser to rate the item adding or subtracting different amounts from the final sum value according to personal criteria on the basis of his(er) expertise. Ultimately, the financial settlement concerns the capability of the asset to be sold on the market. To this end, the appraisal considers the potential market demand for that asset.

According to the opinions of the top managers interviewed, the economic evaluation of a cultural asset is very complex and difficult and it highly demands a top grade specialization. An artwork is unique and establishing the value requires special knowledge and expertise.

It is unlikely to have an objective measurement of the actual value of a cultural asset, even though the appraiser tries to quantify it by using mixed approaches. It is hard to come up with reliable measures because of the customised ways used by insurance companies to assess the insurance value and the monetary amount to refund for a total or partial heritage loss.

## Conclusion

Following up the results obtained we can conclude our research with some doubts about the information reliability for accounting purposes provided by the insurance value, as raised from the Italian insurance practice.

First of all the purpose of the insurance evaluation: museums or heritage-property owners buy an insurance policy because they want to be refunded in the case of loss or damage with an amount equal to the replacement value. That is, a monetary amount corresponding to the restoring cost or to the purchase cost of an alternative item with the same premises, that represents a *fair* compensation for the sacrifice suffered for losing partially or totally a heritage item, a kind of willingness to accept compensation or, more appropriately, a *consolation prize*. Therefore, it cannot be considered as a measure of the future economic benefits or service potential for the owner (or organization) who uses that item to meet the objectives and needs of its constituencies, most often consisting in “non financial returns”. In this sense, it seems that the insurance value lacks of a reliable representation as it does not take into account the inherent *non-use values*. However, using the “stated-value” approach could lead to a more representative measure of the service potential to the owner, according to the following adopted principle: the higher is the value recognized to the insured item the higher will be the insurance premium to be insured against potential damages incurred. However, data and information collected do not allow us to affirm it. Moreover, there are some inherent problems in terms of comparability and verifiability of the financial information provided.

As for comparability, the insurance value may not be sufficiently objective to be comparable with information provided by other public-sector entities. Not only for the uniqueness of the items insured. The Fine Arts insurance is a non-rated field, therefore it does not use benchmarks and standard assessment procedures to identify a unique criterion for determining the insurance value and the related insurance premium. The appraisal follows a tailor-made process that, with the advice of a team of professionals, allows to quantify the insurance value case by case and client by client.

Closely-related to it, the insurance value seems to be hardly verifiable. The insurance market is still too niche. Demand as well as offer are highly concentrated: the former due to the uniqueness of the insured items and the related absence of a large collective-base demanding for the same art-insurance policy, the latter due to the existence of relevant market entry barriers, mostly related to the financial and reinsurance capacity of the insurer. Appraisals are credible depending on the appraiser's reputation and miss of standardized procedures and schemes useful to make transparent and accessible to everyone the

underlying assessment process. Lastly, even if the insurance value assessment can easily overcome the cost constraint compared with other more expensive methods, it seems to have a limited value for accounting purposes, not providing fully reliable financial measures in line with the International accounting criteria.

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# **Small places at the play of Gargantuan cultural exhibitions: Cultural practices and the embodied cross-border contestations in Chiayi, Taiwan**

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## **Abstract**

Studies focusing on gargantuan cultural facilities often point out that these buildings are state-driven. This paper maintains that a more complicated condition involving both top-down and bottom-up contrivances actually operates, especially when such projects have occurred in a minor locality seemingly detached from the global hierarchy of development. Based on the case study of two newly established cultural venues in the Chiayi County of Taiwan, the Southern Branch of National Palace Museum and the High-heeled Church, the author explores how the two consecutive projects are representative of a tendency where the previously government-led cultural strategies are increasingly acquired by local social components to compete for economic resources, political identification, and cultural hierarchy.

Keywords: Cultural governance, Mega cultural projects, Ordinary cities, Urban politics

## **Introduction**

Culture-oriented mega projects is often denounced for its flamboyant and therefore costly display of signature or landmark architecture, which claims to generate local revenue but actually create only limited profits disproportionate to the investment they have received (Fainstein 2008; Majoor 2011). This fiscal investment of arts and culture, which can be considerable sometimes, is made legitimate by the city leaders' adoption of the discourses of cultural and creative economy or creative cities in recent years, a tendency shared by decision makers around the world who hope to promote their city ranking given the intensified city competition (Evans 2003; Lui 2008). Based on such background, this paper will examine how mega cultural facilities actually operate among different social components, especially when this has happened in a minor locality instead of a major urban site. While critical studies focusing on the impact of cultural economy usually only condemn it from the political economic view, saying that it is a top-down measure aimed at urban regeneration and property-led development, a more intriguing relationship and mentality may have actually produced such cultural spaces.

The following analysis will be based on the discussion of two newly established cultural venues in the Chiayi County of Taiwan, namely the Southern Branch of the National Palace Museum and the High-heeled Church. To delve into the two cases and locate the theoretical substance within, the literatures of cultural and creative economy, which will be considered together with some insights from heritage politics highlighting the ideological effects of cultural facilities, will be drawn upon to set the basis for our discussion. The author will also foreground the role of "small places" by emphasizing the importance ordinary cities, so as to reflect on the mainstream focus projected at the major urban sites when discussing the pros and cons of creative economy.

It is argued that the two venues, while acting as cultural means through which political or economic aims might be achieved, still generate evident cultural effects at a local level. The intricate mentalities of the central government, the local government, and the civil society all contribute to the society's overall

acquisition of culture as *a way of doing things*, shedding light on the culturalization of urban politics. Through the analysis on the history of the two venues' production based on secondary data such as journalism and government reports, the configuration these venues currently adopt, as well as interviews, the paper aims to illuminate their inherent economic, political and cultural dynamics.

Below will first review the critical studies regarding cultural economy as well as ordinary cities, to pinpoint the particularity of the two cases in Chiayi. A brief history of Chiayi in relation to the socio-political vicissitudes in Taiwan will then follow, providing an overview, which is integral to our grasp of the mechanism behind the two venues. The next two sections will examine the Southern Branch of National Palace Museum and the High-heel Church respectively. The author will then conclude with a brief discussion on how the two venues might make a case of the urban politics increasingly contested via cultural means.

### 1. The Ordinary Cities' Culturalized Urban Politics in the Global Competition

Recent studies trying to tease out the relationship between urban sites and culture have often adopted two analytical presumptions. Regarding culture to be instrumental or mediate in transforming the urban socioeconomic structure characterizes the first one; warning against the instrumental use of culture and calls for attention to "cultural life" *per se* in cities forms the other. Both perspectives however find their role in the convergence of cultural or creative economy with urban milieu (Scott, 1997). And with the policy transfer of creative cities (Landry, 2012) or creative class (Florida, 2014), comes the focus on how culture might benefit a city (or even nation) in all manners, as well as critical reflections inquiring whether *soft power* is indeed capable of resolving socioeconomic problems (Hall, 2010), or only facilitate new ones, such as gentrification under the disguise of cultural-led regeneration (Gibson and Stevenson 2004; Joo and Park 2016).

While these two branches of studies have proved to be fruitful, providing us details on what use and effects the increasing consumption and production of culture, or symbolic value (Zukin 1998; Du Gay and Pryke 2002), might mean to our urban life, there however lacks conscious linking discussion on how culture as instrument might have actually embodied cultural life under transformation. In other words, my assumption here is that with all the governmental propagandas and the civic society's active establishment of their own "cultural and creative business," culture as ways for city branding, marketing, property development and transformation is no longer notions controlled by certain authorities; at least conceptually, it has become more widely recognized as *a way of doing thing* with which different social components find useful and perhaps most natural.

With regard to this strengthening role played by culture, Bennett (2003) refers to the Foucauldian idea of governmentality to advance cultural policies that may contribute to the regime's ready execution of knowledge in certain institutions. With special concerns on the urban politics, however, Wang (2014) proposes that *cultural governance* should not leave out the potential of civil resistance maintained by the left-wing tradition of cultural studies. He notes that with its seemingly inherent legitimacy, culture has turned to be leveraged by not only the top-down power of government or state, but also individuals or activists' bottom-up initiatives, as well as the market which seems to bridge the first two fields. This study draws upon Wang's view of cultural governance as contested and dynamic, but aims to extend our discussion to the less urban sites, or the *small place*.

Robinson (2002), in her renowned proposition for an opening up of the categorical imperative set according to the Western-standardized world/global cities, asserts that more attention be paid to "ordinary cities." Creativity as both the essence to the ordinary (and indeed every) cities and as means to re-imagine them is crucial for her since she believes policy-makers, planners, and the so-called consultants have been too obsessed to make every city lacklusterly global, that is to say, "developed," as imagined by the Western world. With this I will concur, but would like to go on asking when, inevitably, the penetrating global networks,

and more recently, the tide of cultural and creative economy have affected the self-imagination of individuals in minor places, how they would want to join in this attempt of making their cities “developed”?

Finding out the actual local mentality can allow us to probe into the mechanism of spatial transfer of the culturalized urban politics under the pressure of global economy. Waitt and Gibson (2009) show similar concerns by viewing the creative economy through the case in a small Australian city. Their case study foregrounds a small city who was prompted in the global city competition and expected to initiate urban regeneration so as to make itself creatively agreeable, during which artists, civic leaders and residents however developed cultural and creative business of their own that could be largely irrelevant with the governmental plans. Waitt and Gibson (2009) contends that the complicated local fabrics need to be considered when we put cultural and creative economy *in place*, with which I readily agree and would like to associate further with the re-thinking of urban politics in relation to culture, as discussed earlier.

In my article, this concern will also needs to be reconsidered in parallel with the East Asian context. The East Asian countries, notably China, South Korea, Japan, Taiwan, and the geographically Southern yet cultural “East” city-state Singapore, are all famously or infamously known for their enthusiastic pursuit for visually imposing venues. This of course is not an exclusively East-Asian phenomenon, but buildings constructed in those countries tend to be more visually incompatible with the surroundings and more costly than their Western counterparts would end up, a likely consequence given that the design of these buildings often emulate deliberately “avant-garde,” “modern” or “western” style that may not suit the local condition. What should be noted here is that the official rationale behind this kind of erection is often a combination of cultural economy plus nation building (Kong 2007; Barr 2012). It reminds us that when we put the so-called “cultural” “economy” in place, it must also be embedded in the local, regional, national or even transnational contestations of identification politics.

In this regard, perspectives from critical heritage studies might have much to offer. They have a well-established tradition of dissecting the contesting identification embodied by the tangible or intangible heritage (Smith and Akagawa 2008; Bendixet al. 2012). Borrowing their concept that heritage not only represent ideological conflicts but can also be used to generate social practices (Harrison, 2010), a political dimension can be added into our understanding of the cultural venues in relation to cultural economy in a small place.

Therefore, it is with the culturalized trend of urban governance, the global economic pressure reaching as far as small cities, and the cross-boundary identification politics that an analytical framework for the following two cases might form. This triangular scope of cultural, economic, and political pillars might tell us much about how we should understand the spread of cultural practices as now, and how that spread might have intimately entwined with the everyday life in even the most ordinary places.

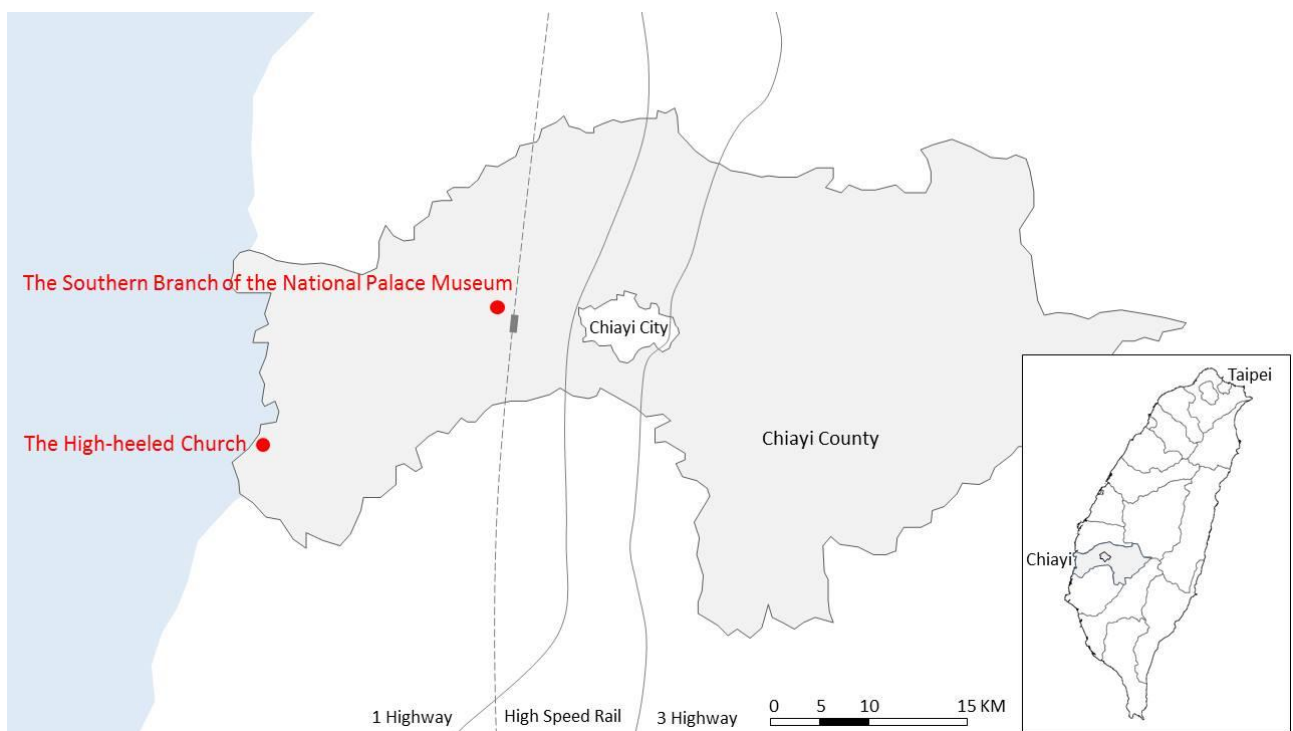
## **2. The Chiayi County under the Democratizing and Transformative Taiwanese Society**

Chiayi County is located at the southwest of Taiwan, with areas of about 1,903 km<sup>2</sup>. It was one of the earliest settlement by Han people back in the 17<sup>th</sup> century, and as it spreads on the biggest plain in Taiwan and is adjacent to the coastal fisheries, Chiayi has long been an important domestic export site of seafood and produce. The fostering mountain, the Ali Mt. (which readily leads to the highest mountain in Taiwan, the Jade Mt.), in Chiayi moreover has made it a popular destination of scenic sightseeing from as early as 1930s, when Taiwan was still under the colonial rule of Japan. This industrial structure dominated largely by agriculture and fisheries remains until today and has contributed to Chiayi County’s later attempt to thrive on cultural venues.

Figure 1 – Taiwan on the world map



Figure 2 – The Chiayi County in Taiwan



After the end of WWII, Taiwan suffered another authoritative regime of more than 40 years under the rule of the Nationalist Party (Kuomintang, KMT), who had reluctantly retreated to Taiwan after losing several battles on Mainland China against the Chinese Communist Party. For Chiayi as well as many other places in Taiwan, this meant cruel elimination of local intellectuals in the first place, and then a long period of clientelistic regime between the KMT and the local factions who have together manipulated county councils and governments since the 1950s.

However, with the diplomatic relations growing rigorous and stronger local consciousness emerging, the Martial Law in Taiwan was revoked in the late 1980s, setting a milestone for the unstoppable trend of

Taiwan's democratization as well as indigenization. Then in 2000, with the first shift of power in the Taiwanese central government from the KMT to the pro-indigenization Democratic Progressive Party (DPP), the local politics in Taiwan began undergoing gradual re-shaping. The county magistrate of Chiayi, who had always been undertaken by the members from one specific faction allied with the KMT, became overturned in the 2001 local election, with the DPP candidate taking over the place. While this did not entail an overall eradication of the rooted malpractices of clientelism, the DPP-supported magistrate, who was himself the head of the other major local faction in Chiayi, together with the DPP-led central government had both pressed on the consolidation of local identity. They both anticipated that by promoting local identity and community building, the political influence of KMT and its allied faction could be nipped off, thus shuffling the political map from the very bottom (Tang and Chen, 2013). Such remolding of political atmosphere after 2000 also paved the way for the emergence of the Southern Branch of National Palace Museum, a mega project dominated and mainly funded by the central government but requiring the active collaboration from the local government.

From 2000 until now, both the council and the government of Chiayi County have remained "overturned" by the DPP, yet not so for the central government. The central legislative assembly was still dominated by the KMT members even after the 2000 election. Then in the 2008 election, another shift of the central ruling power further restored KMT to its old dominance. During the following 8 years, Chiayi County would find itself constantly obstructed in the advancement of its ambitions museum plan. Even after the 2016 presidential election, which was won over again by the DPP, the newly completed Southern Branch of National Palace Museum only manifests itself more as a problem rather than success.

Of course, the transformation of political environment is not the sole reason prompting Chiayi's course of action; the anticipation to be *better developed* always holds more sway. Despite Chiayi's historical position as the earliest Han people's settlement and its seemingly promising natural resources, the Chiayi County government has been worried by the fact that all these industries belong to the primary sector of raw material supply (Hwang and Hung, 2011). They wondered whether a new development of tourism based on new cultural facilities could bring prosperity.

This anxiety might have grown even stronger after the municipality restructuring in 2010, where the original provincial and municipal cities were integrated with counties and upgraded into 5 "metropolises." Chiayi County, along with the other small cities/countries excluded by the upgrading, feel city competition more as an imperative now that resources mainly flow to those "metropolises" at higher hierarchy. For coastal areas relying on fisheries, this seems even more urgent as they are doubtless the periphery even among the periphery. It is then under this pressure that the High-heeled Church, which was established right in a secluded small coastal town, was born.

In sum, it is the convergence of political involvement and economic pressure that has led to the emergence of Chiayi County's two dramatic cultural constructions. Below we will first begin with the case of National Palace Museum, and then move on to the High-heeled Church. Both were inaugurated at the end of 2015.

### **3. Contesting the National Identity: the National Palace Museum at the South and North**

Even before the emergence of its Southern Branch, the National Palace Museum was already the embodiment of a vagrant story. The current National Palace Museum in Taipei was inaugurated in 1965, yet the name "National Palace" actually refers to the Forbidden City in Beijing and appeared as early as 1925 when some Chinese intellectuals, with the support of certain warlords, tried to impose new meanings to the massive royal complex once representing the old empire. However, even if there was the need to invent new implication, the building itself and the treasures kept within still denoted cultural orthodoxy and therefore could symbolize the legitimacy of a regime. It is not surprising then when KMT fled to Taiwan, they also

brought the palace treasures along and, after feeling hopeless to retake the mainland, decided in 1960 to reinstate the National Palace in Taiwan by erecting a modern museum with proper exhibition space. The National Palace Museum in Taipei then becomes internationally renowned for the valuable cultural relics taken from the Mainland China. Even the building itself is designed in a traditional style of Chinese palace to verify KMT's lineage from the Mainland China. Both the museum building and the showpiece inside look back to the other side of the strait, and this becomes a problem after the DPP candidate Chen Shui-bian's accession to presidency in 2000.

President Chen, he himself growing up in a rural village in the southern Taiwan, was forceful in his indigenizing policy. The National Palace Museum in Taipei, which embodied the high cultural hierarchy of Chinese legacy and therefore the ideological influence of KMT, became a prime target of governance. Foregrounding the slogan "cultural decentralization (Pan, 2005)," the central government proposed that a new southern branch apart from the Taipei-based National Palace Museum should be established, and after an open competition, Chiayi County, who had strived hard for the new National Palace site, was selected. To stand out among other competitors, the Chiayi County government volunteered to purchase 70 acres of public land from the state-owned enterprise, the Taiwan Sugar Corporation, to provide "adequate" site for the Southern Branch, costing the County government more than 200 million NTD (about 6.32 million USD). Among the 70 acres, 20 acres are for the main building of the museum. This should be the space where parts of the valued collections from the National Palace Museum in Taipei will be placed and exhibited. As for the site as a whole, the director of the National Palace Museum at that time, who was also pro-indigenization, pitched it as a "hub for the Asian art and culture." His hope was to reverse the Great China-oriented Palace Museum by incorporating pan-Asian discourses, thus liberating the museum from the China-only imagination by presenting a southern Taiwanese locality speaking to the Asian world. As for the magistrate of the Chiayi County, it was clear that he hoped with the launch of the mega project, the long *good-for-nothing* Chiayi could be seen again—not only by the whole country, but even by the "Asian" world—and further revived its local economy.

In 2004, this much-anticipated project was put on for an international architecture competition. An American team led by an architect, Antoine Predock, stood out. They had proposed a design resembling the looks of Jade Mt., a symbol strongly highlighting the subjectivity of Taiwan as this was an image of the towering mountain deeply rooted in the indigenous land. Despite the emergence of a design particular suitable for the Southern Branch, Predock's plan suffered much obstruction and was never really carried out. Although both the Chiayi County and the central government hoped to finish the building by 2008, neither could make much progress since the central legislative assembly, which was still outnumbered by the KMT members, would often boycott its budget. In November 2008 (when the KMT again accessed presidency), the Predock team officially resigned from the project while seeking a compensation of 40 million NTD (about 1.27 million USD) from the National Palace Museum, claiming that the team had been receiving all kinds of unreasonable hindrance. With the old mentality to exalt Chinese culture returning, the new design taking Predock's place was much less passionate in emphasizing the Taiwanese subjectivity, and the new director of National Palace Museum, who tended to insist that there should be only one place for Chinese orthodoxy, was reluctant to move parts of the Taipei collections to Chiayi.

Figure 3 – The original Jade Mt. image for the design of the Southern Branch of National Palace Museum (Antoine Predock Architect PC, 2012)



Figure 4 – The image picture for the Southern Branch of the National Palace Museum of the second version (Southern Branch of the National Palace Museum, 2015)



Despite all the controversies, the Southern Branch of National Palace Museum was still made open in the end of 2015, an inauguration taking 15 years and happening just two weeks before the 2016 president election. The first main exhibition it curated however waited until May 2016. This exhibition is entitled *Lord Jiaqing and the Journey to Taiwan: A Special Exhibition on Cultural Artifacts of the Qing Emperor Renzong*. The display is especially characteristic of the Southern Branch's attempt to combine the awkward expectations of local confidence, the Asian outlook, and the cultural relics reminiscent of the Chinese legacy. The exhibition begins with one peculiar historical character, Delu Wang, who lived between the late 18<sup>th</sup> and 19<sup>th</sup> century and was born precisely at the town in Chiayi County where the Southern Branch was established. He was a military commander during the reign of Qing emperor Renzong (aka Lord Jiaqing). Although Renzong never really visited Taiwan, the appointment of Delu Wang as a commander by the emperor somehow contributes to the widespread folk tales shaping Renzong as a lord caring and helping the disadvantaged people in Taiwan. By foregrounding the connections between an ancient local, Delu Wang, and the Chinese emperor, the exhibition tries to mold a new discourse that might anchor the Chinese showpieces in the *small place* of Chiayi.

Actually, even when I was revising this article in the early September of 2016, the Southern Branch was still under partial construction and mending. The building itself has been a problem ever since its inauguration due to poor construction, causing complaints from visitors, who will often also question whether the 10.9 billion NTD (about 345 million USD) (excluding the land cost paid by the local government) spent on the Southern Branch is worthy. With DPP entering the central government again in May 2016, the new director



of the Southern Branch initiated a series of talks with the local residents in Chiayi with the hope to find a way out for this tricky museum. Several residents I interviewed appreciated the local government as well as the new museum director's effort to seek local consensus, yet still felt puzzled as to how one might strike a balance between the pan-Asian ambition and the desire for local recognition, while most of the showpieces tend to evoke Chinese inheritance.

However, it is precisely the local groups' involvement into the discussion on what the museum's future vision should be like that has made the Southern Branch more than a cultural facility manipulated by top-down policies or where ideological debates battle against each other. Although the discussions only happened after the consummation of the building, a public sphere where bottom-up voices could join in to re-envision a major local facility still emerged. While the construction of the Southern Branch seemed to be a result shaped by the central government's political will and the Chiayi County government's industrious self-promotion, the ideological disputes it aroused had however been widely disseminated through public media and became deeply sensible even for the residents. Moreover, now that the Southern Branch becomes aware of its tricky status, it has to seek creative solutions that can best fit its peculiar situation. This means new ways of management and curation unlike its northern counterpart, and also new opportunities of re-imagining it from the eyes of the locals—which might be an imperative since the museum finds most of the people visiting the Southern Branch so far are those living in the southern parts of Taiwan. International visitors are still rare.

The case of the Southern Branch of the National Palace Museum sheds light on the local government's as well as the residents' desire to affirm their indigenous identity while making profit from it. Although the museum seems to be a mega project largely swayed by the will of the central government, the process of producing such a space however stirs debates that are helpful in arousing local participation. With regard to the controversies aroused, another eye-catching facility situated some distance away has achieved no less, and might hence make stronger demonstration as to how *culture* has been acquired by the social components of the minor place as means to re-envision their own ways of life.

#### **4. A Cinderella's Lofty Dream? The High-heeled Church at A Secluded Town**

The High-heeled Church is located at a coastal small town, Buidai, at the west verge of Chiayi County. As its name suggests, this 17-meter-high structure is literally in the shape of a high-heel shoe, and is composed by 320 glass planks dyed in blue so that it gives out a shiny and dreamy feeling resonating Cinderella's glass slipper. Even during its construction, many have criticized this building to be the most notorious example where the government only wants to profit from "cultural" facilities, which are actually de-contextualized from the local culture. Despite the controversies, the Church still made itself open to visitors at the end of 2015, almost the same time with the Southern Branch National Palace Museum, and generated a local revenue of 0.25 million NTD (about 7,900 USD) within just one day which the local resident claims that originally took a whole year to earn.

The main facilitator for this structure of spectacle is the ex-director of the Management Office for the Southwest Coast National Scenic Area, Rongfeng Jeng. Ever since his accession to the office director in 2013, Jeng had been dedicated to the coastal area's development of tourism until his resignation in July 2016, and was famous for his creation of spectacular sightseeing destinations. The High-heeled Church in Buidai is just one of them. Although the Management Office is an affiliation under the Ministry of Transportation of the central government, Jeng however made himself quite popular with the local people as he often patrolled around the coastal areas in person and repeated a motto deeply striking a chord with the residents: "*Only people can bring us money.*" His aim was to attract as many people as possible to the poor fishing towns via the erection of visually imposing destinations, and he gladly accepted criticisms blaming the "de-contextualization" of those buildings since he believes controversies would be the best advertisement.

With this obvious instrumental use of culture, the Management Office under Jeng's leadership facilitated the construction of High-heeled Church. Within an extensive coastal park in Buidai, stands the 17-metered high structure surrounded by a round pool of shallow water, which generates remarkable visual effects especially in the picture. Around the Church scatter all kinds of bright-colored props suitable for posing; they are deliberately positioned around the Church so that when one takes a photo of the props, the High-heeled Church will also almost definitely be taken in. The activity of "taking cute pictures" is highly popular among most of the Taiwanese people, so this arrangement of "gazing/ photographing the spectacles" actually suits the taste of many. Moreover, the great amount of people flooding into Buidai for one look of the spectacle will usually drink and eat in the local fishing market, thus generating the profit anticipated by the locals.

**Figure 5 – The High-heeled Church, the pool of water, and the props**



While many local intellectuals cannot agree with this "landscape of spectacle," saying that this gaze of tourists has alienated Buidai as "others (),” and that it has proved the unrefined taste for architecture aesthetics in the rural area, some local residents however believe this means the chance for a better life. Such belief also resonates with the romantic legend behind the High-heeled Church—a fabricated story by the Management Office:

High-heeled Church means to leave poverty behind and find one's own happiness. There was once a girl who had hoped to be wedded in a pair of high-heeled shoes, but failed her dream after infected by blackfoot disease; with the help of the church, however, she led a revitalized life. Wish the High-heeled Church would also bring the people in Southwest Coast a wonderful life (Management Office of Southwest Coast Scenic Area, 2015).

Some intellectuals of Chiayi have condemned this story to be inauthentic. Yet one local I interviewed showed different opinions. He said that while there might not be such a girl who hoped to wear high-heeled shoes when getting married, there indeed existed many people infected by blackfoot disease in Buidai in the earlier days. Those people, who were mostly impoverished workers in fisheries, received no help from the government, and in the end, it was usually the priests from the church who had done what they could to offer the patients the care needed.

Those people in Taipei always say bad things about the “church.” Well indeed it *is* a church. We build this to pay homage to the priests who had taken care of us when the government left us behind. Who can say that story is not true? To us it is true. [...] This church is big success. But people in Taipei won’t say that. It made it to the Guinness World Records. It brought people and it brought money. And it made people envy us.

Three points should be noted here. Firstly, the resident has used *we/ us* to show his recognition with the Management Office’s construction of the High-heeled Church, indicating his belief that the church belongs to *the place*, instead of the government (although it is the Management Office who had built it). Secondly, he has termed the intellectuals criticizing the High-heeled Church as “people in Taipei,” reflecting the antagonistic awareness of his peripheral hometown against the urban centers—in the case of Taiwan, the differentiation between North and South is often equal to the distinction between rural vs. urban, or less developed vs. better developed. His disapproval of the opinion from *people in Taipei* hence implicitly denotes his self-affirmation of being a proud resident in Buidai. Lastly, the resident has made clear that for him, the story is authentic enough, indicating his ability to identify a cultural discourse suiting his own use.

In sum, this visually astounding project, which is somehow despised by the urban intellectuals, nevertheless summons up local recognition, since its goal of bringing money in suits the locals’ anticipation to be better developed. Moreover, with the honour of being the biggest High-heeled-shaped building in the world and thus being enrolled in the Guinness World Records, the church has even made its way to more than 300 pieces of coverage in the international media, somehow proving itself to be more internationally appealing than the Southern Branch of the National Palace Museum aiming to be an Asian center of art. While this might seem dishonourable to some architectural critics, the Chiayi County government along with the Management Office however are mindful not to lose any opportunities to brand itself. So when one goes to the High-heeled Church, he or she will see the international coverage reporting the church’s world record being used to the utmost: the press coverage from all over the world is printed out and posted on the fence around the church, making sure visitors will be informed of its great success from every direction.

The case of the High-heeled Church, when examined together with the Southern Branch of the National Palace Museum, reveal an even clearer story of the complicated local mentality when it is confronted with a “top-down” cultural construction. The residents, the civic leaders/ intellectuals, the local government and the central government have all followed different logics of action, yet have together facilitated certain local awareness exclusive to *the small place* through their varied desire performed on one specific cultural site.

### **Conclusion: Cultural Practices at the Urban Politics’ Turning Point**

Studies focusing on gargantuan cultural facilities often emphasize the state-driven tendency of these buildings. My analysis however attempts to illustrate that a more complicated condition involving both top-down and bottom-up contrivances actually operates, especially when such projects have occurred in ordinary places seemingly detached from the global hierarchy of development. By looking into the two newly established cultural venues in the Chiayi County of Taiwan, the Southern Branch of National Palace Museum and the High-heeled Church, I have explored how the two visually-imposing projects have embodied the culturalized tendency in the urban politics, where the previously government-led cultural strategies are increasingly acquired by local social components to compete for economic resources, political identification, and cultural hierarchy.

The story of the Southern Branch of the National Palace Museum begins with an ambitious mind of looking out to the Asian world, but ends with a conundrum which might need to rely on local perspectives as its solution. The High-heeled Church, on the other hand, though much attacked from the outset, has managed to open up a way connecting the local aspiration to the international media. Both cases showcase how the intricate local mentality cannot be exempt from the influence of global imagination, and vice versa; both

demonstrates the cultural facilities to be deeply connected with political as well as economic concerns to be better developed. The establishment of one cultural facility hence has almost always undergone complicated interactions concerning the cultural, political and economic expectations between different social components before it can be materialized. It is during this process that a public sphere of debates where stronger local identification might form could emerge.

While many studies have criticized that the instrumental use of culture in the urban arena tends to be an disguise for actions of other political or economic aims, the case of Chiayi County nevertheless demonstrates that even when culture is consciously “used,” the outcomes are not always disagreeable. Conversely, stronger incentives for public participation and higher local confidence might also be aroused after the instrumental implementation of certain cultural measures; also, cultural means, which are originally dominated mainly by the authorities, might now be acquired by the officials at a minor place or even the local residents. Of course, this is not to say that everything is promising about the two cases we discuss here, or that we should celebrate every cultural facility assigned to small places. I only mean to highlight the peculiar effects one might bring to the place by implementing top-down cultural intervention. My purpose here is to propose a way for us to re-imagine the role played by the cultural venues and explore further how it might benefit our urban environment that has been increasingly turning “culturalized.” The specific condition of Taiwan will hopefully provide some insights that might contribute to the exploration of other small places under the global trend of cultural concerns, especially those in East Asia where a similar historical progress is shared.

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# Cultural policies, metrologies and the *dispositif* of art management

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## Abstract

Cultural policies will be analyzed as producing what Latour calls metrologies; that is, measuring devices and, by extension, concepts and instruments that contribute to the progressive socialization and naturalization of art effects such as social sustainability, community cohesion, social capital, and innovation. The case analyzed will be the art scene of the city of Malmö, its policies and metrological devices. The metrologies, we claim, are the ways in which the policy apparatus opens up to larger concerns of what Foucault calls *dispositifs*, linking art policy to other policy changes and societal concerns in general, and making art respond to those concerns in managed ways.

Keywords: cultural policy, performance measurement, participatory art, art funding, governmentalization

## Introduction

This paper analyses the funding process of a play called *Drömmarnas väg* (The Road of Dreams). The transactions occur between three state funding agencies: the Swedish Arts Council, Region Skåne and Malmö City Department of Culture and a community theatre group called JaLaDa.<sup>1</sup> These transactions are analyzed as part of what we call “the art management *dispositif*,” which combines, for example, discourses on aesthetic value, regulatory decisions on governing culture, administrative measures of handing out funds, philosophical and moral propositions on equality and diversity, scientific centers of monitoring culture, and the coordinates of knowledge on which they base their work. We analyze these transactions as the capillary ends of cascading metrologies, which contribute to the progressive socialization and naturalization of contemporary policy agenda for art.

## 1. Swedish Cultural Policy

In the official report of the Swedish government from 1972, *Ny kulturpolitik*, which is part of the legislative history of the 1974 bill (Sverige, 1974), all the public actors involved could be neatly fitted into a horizontally laid out diagram, including cultural institutions presided over by other departments than the department of culture.<sup>2</sup> The diagram lists the various governmental agencies involved, dividing them into central and regional government bodies, where the central ones are divided again into “government bodies” “institutions”

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<sup>1</sup> Official English names of the organizations are used whenever they have been available. Region Skåne, for example, is the official English name of the organization. All translations from the Swedish sources are ours, unless otherwise stated.

<sup>2</sup> In Sweden, the arts belong within the purview of cultural policy and are regulated through the bill of culture; no strict separation is made between art and culture. This article makes ample references to Swedish cultural policy, and although there is some slippage between the terms “art” and “culture,” it is to be understood that the focus of this paper is on the management and governance of art.

(such as “trusts,” “corporations” and “academies”) and “educational institutions.” In the diagram, the number of employees of all but eleven of the agencies are listed and divided into three categories: “category h” (case workers), “category a” (artistic personnel, administrative personnel, and teachers), and “category ö” (others). In the diagram, the total number of people working on art and culture within a specialized administration under ministerial authority is 3422, plus the employees of the eleven agencies whose workers are not listed (Kulturutredningen, 1972: 32).

When the government rewrote the cultural policy in 1996 (Sverige, 1996), the new official report made no effort to map all the individual participants involved, nor to delineate their expertise. The bill was created on the basis of two extensive reports which together spanned 2198 pages. One of the reports has a discussion and an appendix, which might be understood as attempts to map the efforts on behalf of the state to effectuate the goals of the national cultural policy. It contains a section entitled “Follow up and evaluation” where the governmental institutions within the purview of the department of culture are listed in a diagram, dividing them horizontally into “Sector agencies,” “Central authorities and institutions,” and “Regional institutions” and dividing these vertically into “Academies,” “Mass media,” “Artists,” “Film,” “Heritage,” and “Theatre, dance, art, museums, exhibitions, literature, peoples’ libraries and peoples’ education” (Kulturutredningen, 1995: 658-9). In total, the list consists of 91 authorities and institutions of varying sizes. This diagram is based on what the report refers to as a “narrow” definition of state sponsored cultural activities, which includes all the allocations overseen by the ministry of culture (Kulturutredningen, 1995: 17, 775).

The appendix of the same report aims to be more evaluative and springs from what the report identifies as a “broad” definition of state sponsored cultural activities, which also include the state sponsored activities that have cultural or artistic content but are under the purview of other ministries. The appendix lists 13 such activities spread over five ministries and the Royal Court of Sweden (Kulturutredningen, 1995: 550-1). In the appendix, references are made to a “genealogy of allocations” ordered by the government in its Committee Directives, *Kommittédirektiv 1993:24 - Kulturpolitikens inriktning* (Riksdagsförvaltningen, 1993) and *Tilläggsdirektiv till Kommittén om kulturpolitikens inriktning (Ku 1993:03) Kommittédirektiv 1994:146* (Riksdagsförvaltningen, 1994). Although the directives contain no references to a “genealogy,” they speak of the need to evaluate the “government supported cultural activities from scratch, including the motives for government responsibility [in the arts and culture sector]” (Riksdagsförvaltningen, 1994: 146). The report responds to this demand by producing “a family tree of the development of the now existing allocations” irrespective of their ministerial affiliations (Kulturutredningen, 1995: 770). In order to reduce the complexity of the overall budget for arts and culture, the genealogy categorizes the appropriations into four groups: “decentralization,” “government responsibility,” “cultural areas,” and “purpose” (Kulturutredningen, 1995: 772). These groups roughly correspond to some of the demands proposed in the Committee Directives, notably the focus on “decentralization” and “government responsibility.” Both these groups are constructed with the aim of measuring the degree of decentralization, the first one in geographical terms, the second in terms of how allocations are shared among national and regional authorities. The “cultural areas” and “purpose” categories are there to map the spread of sponsored activities across the 13 arts and culture areas identified in the report, and to pigeonhole allocations into five main “purpose” categories with 17 sub-categories. The resulting catalogue of tables gives an overview of the allocations based on the categories explained above, but there is no discussion of these results - no patterns that are plied out.

When it was time for the third overhaul of cultural policy in 2009 (Sverige, 2009), the official report of the government gives up on listing the government agencies involved in the public management of art and culture. These have, according to the report, become too many, too diverse and too specialized in relation to the different art and culture areas they are related to, so that any overview would be impossible (Kulturutredningen, 2009a: 238). Instead, a “cultural policy matrix” is presented by means of which the

different budgetary allocations could be classified in accordance with what kind of allocation they were listed as in the budget bill and government appropriation directions (Kulturutredningen, 2009a: 248). The point of this move, the report argues, is that the focus on allocation form could complement the prevalent area-logic of the allocations (the what-is-financed) by also including what the report refers to as “the how” of cultural policy. This is understood as “the forms that policy takes in action,” which is further defined as the “pathways” and “tools” through which cultural policy is applied within the different art and culture areas (Kulturutredningen, 2009a: 239). These “forms” are seven in number, divided into 15 sub-categories (Figure 1). The allocations have 11 “purposes” and are recognizable as a condensed list of the arts and culture areas in previous governmental reports and bills.

**Figure 1 – The cultural policy matrix (Kulturutredningen, 2009a)**

Forms of activity:	Purpose:
<ol style="list-style-type: none"> <li>1. Government agencies &amp; institutions.                             <ol style="list-style-type: none"> <li>a. Government agencies with med administrative mission</li> <li>b. Government agencies with institutional mission</li> <li>c. Central institutions</li> <li>d. The three R:s</li> <li>e. Regional and municipal institutions</li> <li>f. Semi-institutions and academies</li> </ol> </li> <li>2. Sectoral subsidies</li> <li>3. Artist support</li> <li>4. Project and directed allocations                             <ol style="list-style-type: none"> <li>a. Research</li> <li>b. International and Nordic cultural exchange</li> </ol> </li> <li>5. Allocations for associations and organizations                             <ol style="list-style-type: none"> <li>a. Running allocations for associations</li> <li>b. Popular movement associated cultural activities</li> <li>c. Support to popular movement education</li> </ol> </li> <li>6. Special recipients                             <ol style="list-style-type: none"> <li>a. Children and youth</li> <li>b. Disabled persons</li> <li>c. National minorities</li> <li>d. Multiculturalism</li> </ol> </li> <li>7. License-fee resources for public service</li> </ol>	<ol style="list-style-type: none"> <li>1. Radio, TV</li> <li>2. Newspapers</li> <li>3. Film</li> <li>4. Periodicals, literature and libraries</li> <li>5. Theatre, dance, and music</li> <li>6. Culture, general</li> <li>7. Image and form</li> <li>8. Crafts and design</li> <li>9. Museum and exhibition</li> <li>10. Cultural heritage</li> <li>11. Archives</li> </ol>

With the cultural policy matrix, there is a shift in the way that the government accounts for how cultural policy works, emphasizing the “how-it-is-financed” rather than the specific areas of arts and culture that had provided the orientation previously. We believe that this signals a novel way for policy to address art and culture in Sweden. Prior to the official reports of 2009, the evaluative focus was on the compartmentalized areas of art and culture, which had been fairly set since the government bill of 1974. When the 1995 report divides these into 13 arts and culture areas, with five main “purposes” and seventeen “sub-purposes,” it basically follows the division set by the stipulations of the 1974 bill. In the 2009 report, these are condensed into the 11 “purposes” of the matrix. In a sense, this is both a compression of how cultural policy addresses



the different art and culture areas, unifying them into fewer distinct posts, and an increase in the attention on what the 2009 report calls the “how” of cultural policy, the “forms” of governmental activity.

This change is in line with a broader set of accounting and control principles that have affected the ways in which Swedish government practices are managed. The 2009 report speaks of “a clear trend in government administration” to establish independent policy evaluation authorities and lists a number of recently created organizations (Kulturutredningen 2009b: 135). What they all have in common is that they produce statistics, evaluate reforms, conduct research and develop new knowledge, provide support to local, regional and state government agencies - they are basically authorities which provide knowledge and information for decision makers.<sup>3</sup>

## 2. Dispositif and Cultural Policy

As stipulated in the 2009 bill on culture *Tid för kultur*, a separate agency for the analysis of cultural policy was established in 2011 (Sverige, 2009). The Swedish Agency for Cultural Policy Analysis (*Myndigheten för kulturanalys*) was tasked “to evaluate, analyze and present the effects of proposals and measures taken in the cultural field. This is to be done based on the cultural policy objectives” (Myndigheten för Kulturanalys, 2016). The agency is responsible for official statistics of culture, monitoring the cultural sphere, analyzing trends, understanding and explaining how events in the “horizon of culture” may affect cultural policy, evaluating state reforms and measures, and producing broad syntheses and situation assessments in relation to cultural policy objectives (Myndigheten för Kulturanalys, 2016). At the inception, the agency took over the official statistics production and cultural habits and trends analysis from the Swedish Arts Council (*Statens kulturråd*), which could now focus more on funding activities in accordance with the national cultural policy objectives; the new agency became an independent auditor of the penetration and impact of those policies.

This move towards a more intensified and centralized monitoring of art and culture is by no means simply a Swedish development, nor a very recent one. According to Belfiore, “[t]wo of the defining issues of contemporary cultural policy debates” are “cultural value and the challenge of its measurements” (2015: ix). MacDowall captures the tension of the debate critically: “On the one hand, initiatives to make culture count can have an active and positive drive to include a cultural perspective, and to have it be made visible and taken into account in broader decision-making. On the other hand, too often, culture is *made* to count, in the sense that it is forced unwillingly and unhelpfully into systems of measurement, from where it can be pressed into the service of divergent agendas” (2015: 5). But what is really going on with this move of counting culture and making culture count? We suggest that behind the urge to make culture count and counting culture is not some nefarious political agenda, but an intensification of a mode of governance which is predicated on what Foucault calls “veridiction” (Foucault 2008)<sup>4</sup> along with the “crisis of causality” which the focus on veridiction brings about (Valentine, 2007: 101). Valentine argues that because of this urgent problem of causality, the “objective and independently verifiable observations” about art and its effects “have become politicized, embedded in political and aesthetic projects as solutions to the problems that such programs exist to solve, and in so doing are the means with which these projects can become solidified and maintained” (2007: 98). The launch of the Swedish Agency for Cultural Policy Analysis is a direct response to this perceived “crisis.”

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<sup>3</sup> The report lists quite a few. For example, Institute for Evaluation of Labour Market and Education Policy (IFAU), Swedish Agency for Development Evaluation (SADEV), The Swedish National Council of Crime Prevention (BRÅ), Swedish Agency for Health Technology Assessment and Assessment of Social Services (SBU), Swedish Institute for Transport and Communications Analysis (SIKA), The Swedish Institute for European Policy Studies (SIEPS), Swedish Agency for Economic and Regional Growth (Tillväxtverket), and Growth Analysis (TUA).

<sup>4</sup> “In this sense, inasmuch as it enables production, need, supply, demand, value, and price, etcetera, to be linked together through exchange, the market constitutes a site of veridiction, I mean a site of verification-falsification for governmental practice” (Foucault, 2008: 32).

We suggest that a productive way of dealing with this perceived crisis is to understand it in terms of the Foucauldian concept of the *dispositif*. Although there is considerable theoretical debate over the translation of the concept of *dispositif*, for us the translation issues are of less significance compared to the concept's methodological and analytical utility (for a discussion of the issues of translation, see Bussolini, 2010). Thus, we use the French term *dispositif* to signal that we are mainly interested in the term's analytical utility and less in situating ourselves in the debate of its precise meaning. Foucault's own understanding of the term is primarily developed in his technical analyses of the productivity and positivity of power and how these "positivities" in turn relate to the main theme of the analysis of liberal and neo-liberal governmentality, namely the practices of veridiction. *Dispositif* is, in this context, a term with at least four methodological functions (Foucault, 1980).

A combinatory function: the *dispositif* brings together "a thoroughly heterogeneous ensemble consisting of discourses, institutions, architectural forms, regulatory decisions, laws, administrative measures, scientific statements, philosophical, moral and philanthropic propositions," and so on (Foucault, 1980: 194). As such, the *dispositif* functions as a kind of set theory, allowing disparate and dissimilar elements to be brought together without formally sharing any identity. In terms of cultural policy, the *dispositif* brings together discourses of aesthetic value, institutions such as arts councils, regulatory decisions such as the "arm's length principle," laws on transactions between individuals, associations and the state, administrative measures such as government appropriation directions, scientific statements about the impact of the arts and their spill-over effects, philosophical, moral and philanthropic propositions of the value of the arts, its benefits in terms of individual development, identity and social cohesion. Formally, these elements do not share an identity but the notion of *dispositif* allows us to think them together.

A networking function: the *dispositif* allows our analysis to focus on the links between elements, both discursive and non-discursive, and to register how these links shift and modify the functions of the elements over time and in a variety of contexts, producing "a sort of interplay of shifts of position and modifications of function" (Foucault, 1980: 195). A Foucauldian example of this shifting function is when the *Sâlpêtrière* clinic could combine observation, examinations, interrogations, experiments, public presentations, theatre, dialogues, palpations, laying on of hands, postures and much more, which ultimately combined in constructing "around and apropos of sex an immense apparatus [*dispositif*] for producing truth" (Foucault, 1990: 56). In our case, there is no one institution like *Sâlpêtrière*, which links elements in a similarly concentrated fashion. Arguably, cultural policy networks function in similar but more dispersed fashion. They typically produce links between large statistical frameworks, such as EUROSTAT, UIS, SCB and their local and regional equivalents. They organize meetings between administrators and cultural actors, fund artistic activities, engage in public debates, formalize application forms and procedures, all of which contribute to producing truths and realities of art.

A strategic function: the *dispositif* "has as its major function at a given historical moment that of responding to an urgent need" (Foucault, 1980: 195). In this, the *dispositif* is "strategic," deployed where there is controversy and is in this sense the foundation of the "problematizing activity" which Rose and Miller claim to lie at the heart of modern government (Rose and Miller, 2008: 61). Arguably, cultural policy is born out of a set of specific urgencies after WWII. Swedish cultural policy, for instance, comes about to enlist the cultural sector as a contributor to the development of the Welfare State.

A genetic function: the *dispositif* is the handmaiden of a particular form of modern "genesis" which has "two important moments," one which engenders "the prevalent influence of a strategic objective" (for instance, the strategic objective to produce a sustained and coherent policy for enlisting the arts into the welfare project), and a second moment where the *dispositif* is created "and enabled to continue in existence insofar as it is the site of a double process" (Foucault, 1980: 195). The double process is neatly elucidated by Rose and Miller when they argue that the "problematizing activity" of modern government is simultaneous with the

solutions and measures with which the identified problems are rectified: “The solidity and separateness of ‘problems’ and ‘solutions’ are thus attenuated. Or, to put it differently, the activity of problematizing is intrinsically linked to devising ways to seek to remedy it. So, if a particular diagnosis or tool appears to fit a particular ‘problem,’ this is because they have been made so that they fit each other” (Rose and Miller, 2008: 15). In the context of cultural policy, this explains how both the urgent needs (the strategic functions, the problematizing activities of cultural policy) and the solutions proposed by cultural policy modified over time (Menger, 2014).

The *dispositif* is thus a methodological device with which to bring together the genesis of cultural policy, its combination of problems and solutions, the links that are established in the process of its development, and the disparate elements that constitute it. The shift in Swedish cultural policy to what we here call veridiction is an example of the development a *dispositif*. As we have seen, the *dispositif* of arts management is heavily imbued with monitoring processes of various kinds, and presided over by a governmental scientific authority, The Swedish Agency for Cultural Policy Analysis.

### 3. Cultural Policy and Metrology

Following the terminology of Actor-Network Theory, The Swedish Agency for Cultural Policy Analysis is a “centre of calculation” (Latour, 1987). For Latour, a center of calculation is a place where information is gathered, where “specimens, maps, diagrams, logs, questionnaires and paper forms of all sorts are accumulated and are used by scientists and engineers to escalate the proof race; every domain enters the ‘sure path of a science’ when its spokespersons have so many allies on their side” (Latour, 1987: 232). Latour introduces the idea of a center of calculation to explain how observations and experiments in science turn into facts: what scientists actually do with experiments, what graphs they produce with what machines, what printouts are passed on where, what instance collects and collates the printouts, what is said about those printouts in what contexts and so on. For Latour, centers of calculation produce the proofs and observable facts of a verified science. Rather than ideas, Law argues, it is these mundane printouts and other “inscription devices” that travel (Law, 2004: 33).

In their post-Foucauldian work on governmentalization, Rose and Miller transpose Latour’s idea of centers of calculation into the field of governmentality (Rose and Miller 2010; Rose 1999). Following Foucault, they see knowledge and expertise as central to the activities of modern technologies of government, and identify centers of calculation as crucial components of those technologies, doing the work of “cognition, calculation, experimentation and evaluation” (Rose and Miller, 2010: 273). According to Rose and Miller, then, “government is intrinsically linked to the activities of expertise, whose role is not one of weaving an all-pervasive web of ‘social control,’ but of enacting assorted attempts at the calculated administration of diverse aspects of conduct through countless, often competing, local tactics of education, persuasion, inducement, management, incitement, motivation and encouragement” (Rose and Miller, 2010: 273). The key expression for Rose and Miller is not “social control,” or even “calculated administration,” but rather “assorted attempts” at the calculated administration: there is no single unifying logic or strategy to this administration, but it is always justified by a reference to a particular limited set of controversies and to a body of knowledge gathered at the centers of calculation to address those controversies.

How does a center of calculation do its work? A center of calculation first makes value judgments by using what Latour and Lépinay call “valuemeters:” “devices which make value judgments visible and readable” in the avalanche of data that is collected at the center (2009: 16). This can be something as simple as an excel-file containing, for example, the number of tickets sold to a performance, the number of men, women and children attending the performance, and the ratings they give to the performance. When many valuemeters are connected together, comparisons between items become increasingly precise: the number of tickets sold can be divided by the number of men, women and children, the ratings can be related to the

number of tickets sold, and so on. Eventually, new objects worthy of serious scientific attention come into being; for example, a new object called “audience” that can now be analyzed through a number of interlinked valuemeters such as class, gender, age, ethnicity and disability. The collections of interlinked valuemeters form “metrological chains” when they are transposed from one context to another (Latour and Lépinay, 2009: 19). An example of such a metrological chain in the cultural policy field is the recent race to develop standards and instruments of cultural value indicators on global and local scales (Madden, 2005).

Metrology concerns itself with the scientific organization, standards, and instruments of measurement that range from the most scientifically important ones on which many other standards depend on (for instance the atomic beam standard of measuring time) to the mundane acts of checking the temperature outside. As Latour puts it, “[m]etrology is only the official and primary component of an ever increasing number of measuring activities we all have to undertake in daily life. Every time we look at our wristwatch or weigh a sausage at the butchers shop; every time applied laboratories measure lead pollution, water purity, or control the quality of industrial good [...]” we make use of metrologies (1986: 28). In a more fundamental sense, metrology is “the name of this gigantic enterprise to make of the outside a world inside which facts and machines can survive [ibid]” (Latour, 1987: 251); that is, to expand the science outward so that the world becomes knowable by measurable experiments, develop and expand both theoretical and practical models of measurement so that we know what we are measuring and we know what the margins of error are in the devices doing the measurements. Or, as Latour pithily puts it: “What we call ‘thinking with accuracy’ in a situation of controversy is always bringing to the surface one of these forms. Without them we simply *don’t know*” (1987: 252). This interplay of controversy and accuracy of measurement is what Valentine refers to as a “crisis of causality.” But, rather than a crisis, we think it is more productive to analyze the interplay as a site of intensified veridiction. This explains the constant call in the Swedish official government reports (which in Sweden are part of the legislative history of the bills of culture) for more accurate data for policy evaluation. These forms of knowing through collecting valuemeters in centers of calculation, gathering them to metrological chains to make value judgments about art policies have become an essential, uncircumventable (and eventually uncontroversial) part of art and culture management.

The Swedish Agency for Cultural Policy Analysis is thus tasked to bring the world of art and culture into metrological account: to develop those valuemeters and metrological chains needed to make policy value judgments, create new entities of scientific policy attention, and make the policy effects knowable and analyzable by measurement. Part of the metrological work of the agency is to develop quantitative measurements of art and culture: gather data, develop new data for art and culture. The other part of the work of this agency is to develop qualitative data. This is where the work with developing indicators is at its most intense, not only in Sweden but globally, because there is no agreement on the best set of qualitative indicators. In fact, the grey literature of art and culture management and governance is awash with competing producers and developers of indicators of quality: AEGIS, Arts Council England, The Cultural Development Network, INTERARTS, IFACCA, UNESCO, and so on. In the Swedish context, we can clearly see how the focus of cultural policy has shifted from governing the arts and culture to governing the governance of arts and culture. This can be illustrated by respective emphases of the three government bills on arts and culture in Sweden (the bills from 1974, 1996 and 2009). It is a history of increasing emphasis on veridiction, with its emphasis on problematizations and its controversies. The solution so far has been the production of ever more advanced and cascading metrologies. How does a cascading metrology appear at the capillary end of governance? How does it materialize as part of the *dispositif* of arts management? As an example, we present a case involving a community theatre group seeking funds for a play. The example is random and one among many we could have chosen. The idea is to let this example illustrate the process of veridiction, its metrologies and “the crisis of causality involved.

#### 4. Drömmarnas väg and Cascading Metrologies

In the Autumn of 2014, JaLaDa - a Malmö-based community theatre group with a focus on multilingual theatre for children and young people - applied for funding to put on a play called *Drömmarnas väg*. The play was about refugee children on their way to seek safety in Sweden. JaLaDa applied (and received) funding from several government agencies, among them a national funding agency (The Swedish Arts Council), a regional funding agency (Region Skåne), and a municipal funding agency (Malmö city's Department of Culture, Cultural Grants section). Roughly, a year and a half later they reported back to the funders on how the project had run and how the funds had been spent. All the applications were submitted in the autumn 2014 and all the evaluation reports were submitted in the Spring 2016 (Table 1). All the three applications under analysis were filled in online, and the forms contain a variety of html-form elements such as checkboxes, radio buttons, and text boxes with maximum character limits.

**Table 1 – Drömmarnas väg application and evaluation report submission dates**

Funder	Application submission date	Evaluation report submission date
The Swedish Arts Council	2014/09/04	2016/04/28
Region Skåne	2014/09/30	2016/03/29
Malmö City Department of Culture	2014/10/01	2016/01/15

In this part of the paper we analyze these applications and evaluation reports as policy instruments; we try to understand what role they play in Swedish cultural policy and how they do their metrological work. By looking at the applications and evaluation reports we can glean some of the ways in which national cultural policy goals are transformed and cascade in Swedish public funding as metrologies, and how the forms themselves add slight but not insignificant variations, emphases and interpretations to the goals. Applications and reports are policy instruments in the traditional policy research sense that they are pragmatic tools with which other policy instruments (such as funds) are delivered. They are also policy tools in the more sociological sense in that they produce a particular relationship between “the governing and the governed” and constitute “a condensed form of knowledge about social control and ways of exercising it” (Lascombes and Le Galès, 2007: 3). Perhaps even more crucially for us, they can be seen as policy instruments that structure a possible “field of action” for individuals (Foucault 1997: xxii; Rose and Miller 2008: 147), that is, ways of identifying individuals who are eligible to do art, ways of imagining what counts as art, possible ways of doing art, necessary ways of accounting (for) art, and so on. They also constitute an idea of “good governance,” and can be read as a condensed theory of the right form and the right amount of arts management. The applications and evaluation reports can be seen as the capillary ends of policy instruments, asking for certain very definite figures to be stated, prompting reflections to be entertained by art actors, circulating concepts, identifying objects, defining practices, dividing roles and responsibilities.

First a word of caution: the national, regional and municipal funding agencies mentioned above are of course not the only funding agencies in Sweden. There is a plethora of different kinds of state and non-state agencies and foundations and private sector actors. JaLaDa also secured substantial funding from these other sources for *Drömmarnas väg* (such as the private Gertrude and Ivar Philipson Foundation and The Swedish Savings Bank Foundation). In some ways, *Drömmarnas väg* is thus a typical Swedish art project: it applies funding from a number of different kinds of sources, receives money from some of them but not all of them, and usually the biggest amount of funding by far is from state agencies. JaLaDa clearly has

considerable administrative resources to continuously write applications, and write them successfully in clearly targeted fashion. In some other ways, however, *Drömmarnas väg* is perhaps not a typical project: its theme of unaccompanied refugee children happened to coincide with the Syrian refugee crisis of 2015, the project received unusual amount of attention and grew up to be the largest project of JaLaDa's up to date (employing as many as 30 people in the project team), as they acknowledge in their evaluation report to the regional funder. In what follows we will describe 1) the application forms as policy instruments for each of the funding agencies; 2) the presentation of the project in the application forms; 3) the evaluation report forms as policy instruments; 4) the presentation of the project in the evaluation reports.

### **Drömmarnas väg: The Swedish Arts Council Application Form**

The first pieces of information that the Swedish Arts Council application form asks for concerns the identification of the actor applying for funding. We might call this a legal framework; the applicant must provide details, documentation and proof of certain administrative criteria that allows the state to have dealings with the applicant. The applicant must be registered as a business of some kind (many are registered as "economic associations"), but the critical point is that they must have an organization number, address, and give the name of someone who can represent the business. One might say that already at this point considerable administrative requirements must be met for someone to be eligible for a publicly funded art project of this kind.

A second framework is what we might call the framework of artistic activity. Here, the applicant first is required to tick boxes indicating the area of the arts their activity belongs to (dance, theatre, etc.) and to select the type of activity they engage in: 1) "productions and presentations of original art work," 2) "presentation/collaboration art work," and 3) "promotional art work" (*främjande arbete*). Although the expression "promotional work" does not specify what is promoted, it nevertheless carries in Swedish a strong connotation of promoting values, that is, imparting some benefits for the ones encountering the art in the project rather than simply doing art, pedagogical work of some kind. All relevant boxes can be ticked. The applicant can then describe the artistic idea of the project and the concrete things the project intends to do. Interestingly, here, the art work is divided into three different conceptualizations of art: "original art production," "collaborative art production," and "promotional art production." This division neatly illustrates the recent changes in the artistic field: collaborative and pedagogical dimensions (explicitly stated value dimensions) can no longer be considered as simply extraneous to art; rather, they have become necessary elements of contemporary artistic production (Ruffel, 2014).

A third framework is therefore not surprisingly a collaboration framework. Here the people working in the project are named and their CV's should be attached to the application (In reality, for example in this case, the list is rarely complete, since the project is not yet under way, and not all people can be listed). However, the application form expects collaborators to be organizations, not individuals. Therefore, collaborators should be listed as "collaborator institutions," and following this logic, the division of labor should also be expressed in terms of institutions. From this perspective the attendant CVs seem somewhat out of place.

A fourth framework is what we might call the audience framework: this is where the applicant is prompted to give the longest account of any in the application. Measured in pure space for writing (pure maximum amount of characters the boxes allow the applicant to type), this is the most important framework. Here the applicant is asked to describe the intended audience, how the project plans to work with "audience development" (*publikutveckling*, that is, widening the public, attracting new groups as audiences, etc.) and how the project takes into account the perspectives of equality, diversity and cultural difference, and how it works to increase access for disabled people. The applicant is further asked to tick boxes about age and geographical distribution the intended audience.

Lastly, the application form asks the applicant to submit more details about a number of aspects of the art project: the gender of the artists and their professional roles (director, actor, etc.), and the planned event locations.

### **Drömmarnas väg: Region Skåne Application Form**

The regional art application form contains much the same frameworks as the national funding agency application. The initial legal framework is almost the same, as is the artistic activity framework. One difference compared to the national funding agency application form is that the regional form asks for an explicit account of how the project will create surplus value (*mervärde*) for the region and contributes to region's development. Here we clearly see the effects of the emphasis on "policy attachment" (Gray, 2002) made in the 2009 bill on culture. The regional emphasis on spillover effects also corroborates Menger's historical account of the development of cultural policy in Europe, where the gradual decentralization of public support for the arts led to an increasing policy attachment, especially towards social and economic concerns (2014). This explicit development is further corroborated by interviews we have made with Region Skåne administrators (Interview, 23 February 2016; Interview, 9 March 2016; Interview, 16 March 2016).

When it comes to the audience framework, the concern for the age of the audience is present, but the region also adds the dimensions of gender and ethnicity, which were not present in the national agency application form. The national agency was interested in the audience age (but not gender) and performer gender (but not age). Within the audience framework, the region focuses on the results and evaluation of the proposed project much more than the state. It asks how the audience is involved in the planning, implementation and follow-up of the project, but in particular, it is interested in knowing the impact of the project in terms of certain valuemeters: equality, cultural diversity, and access for disabled people, but also how the project is marketed and how the results and experiences of the project are disseminated. Whereas the national funding agency form asked the project applicants to posit possible ways in which the art project works with equality, diversity, cultural difference and disability, the regional form asks for specific "impacts" in relation to these same distinctions.

Overall, Region Skåne's application form encourages the applicant to think of their project as open at both ends: there is a greater requirement to situate the project in a chronology of before-during-after: planning-implementation-evaluation model governs the logic of the application form. This also shifts the focus from art as an art work or activity (usually defined in terms of artistic innovation and excellence) to a more "planned" mode of art. What is planned is evaluated, and what is evaluated is not the art itself, but the effects of art, and not just any effects, but effects that prioritize the surplus values of social cohesion and economic development.

### **Drömmarnas väg: Malmö City Department of Culture Application Form**

The application form of the third funder, the city of Malmö, follows more or less the same application logic. The legal framework is the same as the Swedish Arts Council and Region Skåne. The artistic activity framework asks the applicant first to describe the organization submitting the application, then to state the project content and aim, what the projects wants to achieve, but also give locations and times of performances. The collaboration framework asks for names, roles, and division of labor. The audience framework consists of expected number of performances and expected number of people in the audience divided into age categories, and specified as audiences inside Malmö and outside Malmö. In general, the Malmö application form is the shortest and the most loosely framed. There is an emphasis on Malmö, in particular when it comes to stating the composition of the audience. Somewhat surprisingly, prompts for equality, diversity, and cultural difference are entirely lacking from the application form.

To summarize the analysis of the application forms: the Swedish Arts Council form subtly changes the understanding of the art activity to include dimensions of collaboration and pedagogy. By providing the collaboration and pedagogy options on the side of artists' original work, it suggests that projects of these kinds are directly comparable in value. The Region Skåne application form does not address the idea of art activity, but clearly pushes the understanding of art as having spillover outcomes. While both the Swedish Arts Council and Region Skåne use the application instrument to advance particular ideas of art, it is more difficult to see any such agenda in the Malmö city application form. This does of course not mean that there is no such agenda in the municipality; it just means that the application instrument itself does not seem to include any such idea.

### **Drömmarnas väg: Contents of the Applications**

The first thing that stands out in the contents of *Drömmarnas väg* applications is that they are very clearly aligned with the perceived areas of focus of each application form. In the Swedish Arts Council application, the emphasis is on the artistic specificities of the project. In the Region Skåne application the emphasis is on the spillover effects of the project. The Malmö city application flags the connections to the local neighborhoods and schools. Much of the content in the applications seem to be copy/pasted from one application to the other. The focus on "audience development," equality, diversity, cultural difference and access to disabled people is present in all applications as required by the application forms.

Interestingly, the *Drömmarnas väg* own separate project description, which had to be submitted as an attachment to the applications, seems to be closely modelled on the logic of the application form (all the frameworks we delineated above are present in their project description in more or less the same order). In particular, the Region Skåne form stands out in most closely matching *Drömmarnas väg* own description of the project. It seems that Region Skåne's emphasis on the project as open-ended provides the most powerful narrative formula with which to describe the project. It certainly has the effect of obtaining the most science-like formulations: terms and expressions such as "pre-study," "collecting empirical material," "interviews," "workshops," and "focus groups" populate the project description. This is not an accidental effect, we argue, but the product of a particular instance of metrologies realized at this particular juncture of the policy network. And of course, it is no surprise that the demand for knowledge through centers of calculation, metrological chains, and valuemeters are best satisfied through ideas and practices of art that can call on veridiction.

This is perhaps the most significant effect of the cascading metrologies of Swedish cultural policy: art is increasingly asked to account for itself as if it is research, because research, much more than art, is able count on veridiction. To put it even more poignantly, art is becoming research not because research would produce better art, but because art as research can better supply the data the metrologies are asking for.

### **Drömmarnas väg: Evaluation Reports**

In general, the evaluation report forms of the funders are very closely aligned with the application forms: applicants are asked to report back on the issues which they were asked to write about in the application form (re-describe the project, explain how it was implemented, report on changes on what was stated in the application, report on the audience development in various ways, and what they learned in the process). The evaluation report to the Swedish Arts Council focuses on the details of the output: the number of performances made, the size of the audiences at each performance, the age and gender composition of the audience. The evaluation report to Region Skåne emphasizes not only the output, but also the outcome (referred to as "results"). The most distinctive feature of the evaluation report is, again, the above mentioned "researchification" of the project. Some of this researchification is also visible in the evaluation reports to the



Swedish Arts Council and Malmö city, even though their evaluation forms do not explicitly elicit such responses.

In the evaluation report to Malmö city, the emphasis continues to be on local detail, but the style is much more informal and everyday problems in the running of the project are mentioned (such as funding problems). This report also includes interesting details that other reports do not: for example, it is possible to see from the report that the young audiences were recruited through the Malmö city School Board (one school is mentioned) and that the school also paid for the tickets. (An appreciative quotation from the school headmaster's email to JaLaDa is included). Therefore, Malmö city both funded the project (through its Department of Culture) and paid for the product it helped to fund (through its School Board). In Malmö city evaluation report it becomes clear that the project depends on local administrative connections. It seems that the sway of the metrologies is somewhat looser at the capillary end of the policy network. The applications and evaluation reports highlight the way in which the cascading metrologies of cultural policy produce a number of effects on the level of the art that is produced.

How should we best account for these effects? We have spent considerable time delineating the contents of the application policy instrument for one art project. Presumably, a lot of energy has gone into the design of the forms, their alignment to policy goals, and their function as instruments to measure effects of various kinds. On the other side of the policy instrument, energy has been spent in filling in the forms and aligning the content to perceived demands. Somewhat surprisingly, we learned in the interviews with the administrators that the results of these efforts go into a database (*Kulturdatabasen*) where they are collected and stored without much analysis. In fact, many administrators expressed a certain degree of frustration over the fact that there were no proper routines for consistently taking into account the evaluation reports. In fact, they admitted, the contents of the evaluation reports did not really matter; what mattered was that they were submitted and not much more. This contradiction is a salient feature of what we would like to call the "art milieu" in Malmö. Based on our case (which admittedly is limited and preliminary), the cultural policy emphasis on cascading metrologies have effects which have less to do with what is measured than the act of measuring itself.

## **Conclusion**

The fact that things are measured seems to be what matters, not the facts that are established through measuring. The progressive socialization and naturalization of spillover effects such as social sustainability, community cohesion, social capital, and innovation may therefore be less a question of measurable content than of the process of measuring itself. In this paper, we have described cultural policy in action. We have shown the mundane technical features of a milieu in which contemporary artists in Malmö and Sweden find themselves. We have also demonstrated how this milieu is produced through metrologies of global reach and on scales quite different from the unassuming play about refugee children fleeing war and finding safety in Sweden. Yet, it would be unlikely for this play to have been produced without the particular configuration of the art management *dispositif*, its metrologies and valuemeters, its history and networks of cultural policy.

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# Finding the essence: Researching cultural and creative cooperations

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## **Abstract**

This paper investigates how the practice of creating relationships between cultural / creative and other organisations can be studied from a constructionist perspective and with phenomenological methodology. The present contribution briefly discusses several recent publications and reflects on the methodological implications of these cases. It sets out to trace the working of construction and translation of concepts and practices, and elaborates on how differences can be made productive in a vital aspect of cultural and creative organisational practice, establishing sustainable relationships with contexts.

The result of the paper is an agenda for further discussion on methodological approaches of cultural/creative entrepreneurial practice and its relationship with contexts.

Keywords: Cooperations, research methodology, cultural turn.

## **Introduction**

Arguably, the realisation of sustainable and productive connections with partners is one of the core objects of concern for cultural and creative entrepreneurs<sup>1</sup>. At the same time, we know from experience and research that this relationship is not always without problems. Creative commercial service providers and their clients, or cultural organisations dealing with political forces: it is safe to say that they start off in cooperations by talking different languages. As researchers we come across diverse manifestations of the relationship between cultural / creative organisations and organisations in other sectors. I have researched them over the past years from different angles. This contribution brackets 'practices of connecting'. The manifestations and outcomes of 'practices of connecting' vary in different disciplinary fields and in different regional contexts. The concern for this contribution however is not to discuss diverse manifestations, but to discuss how these practices are constructed, and to look at methodologies that are conducive for investigate this phenomenon. The central question is what theoretical and methodological approach can be instrumental in conceptualising the relation-building practice of cultural and creative entrepreneurs.

This contribution starts off with two preliminary observations with regard to the main question. Then, I will discuss a number of practical cases and interpret them from the point of view of theoretical and methodological implications. I will elaborate on perspectives that can be conducive in understanding connection-making, which can be the basis of further empirical research in this field.

## **1. Observations**

An economic position from which to conduct research on cultural and creative organisational practice, for instance cultural entrepreneurship or arts marketing, is likely to reveal a problematic 'fit' between cultural practice and economic explanatory devices. This point is particularly topical in the study of entrepreneurship in the cultural context. Klamer (2011) made this point clear by pointing at the economists' dilemmas in studying cultural entrepreneurship. Following strict economic paradigms will soon get you into trouble trying

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<sup>1</sup> In this contribution, we make a distinction between cultural entrepreneurs, referring dominantly to arts organisations in a non-profit context, and creative entrepreneurs, referring to dominantly for-profit creative firms.

to to explain complex entrepreneurial practice, since cultural entrepreneurs “come with characteristics that are hard to specify, like creative, risk-taking, and alert.” (Klamer, 2011).

Several writers have voiced critique on how a one-sided economic take on entrepreneurship in general, not necessarily cultural entrepreneurship, ignores alternative dimensions and values of entrepreneurial behaviour (Thornton et al., 2011). Socio-cultural approaches of organisational practice are by now well established, for instance in the field of Strategy-as-practice (Golsorkhi, 2010). Qualitative perspectives, such as the narrative take, are widely used to explain entrepreneurial behaviour. Narratives or other perspectives however have limited use for the logico-positivist thinkers that tend to be in the majority in policy contexts. Still, an economic explanatory framework is required if scientific input is to make any impression in the context of political decision-making processes. Here, especially in neo-liberal times, the economic ‘bottom line’ determines policy, and therefore defines the political reality of cultural entrepreneurs. The socio-cultural approach is however becoming more visible in cultural entrepreneurship education too. The educational community increasingly focusses on the transfer not only of administrative and economic skills, but also of skills related to soft and culturally determined aspects of functioning as a cultural entrepreneur in society: the creation of ‘cultural capital’ (Kuhlke et al., 2015).

The second observation also concerns the relationship between economic and cultural thinking in our field of interest. Continuing on the first observation, we need to recognise that cultural and creative entrepreneurs pragmatically and strategically incorporate economic and neo-liberal discourse as a rhetoric, thus discursively contributing to the construction of a rational economic understanding of their context, while at the same time their daily practice, and daily dealings with local administrations are defined (and constructed) in cultural and artistic terms. So the second observation is that we need to be aware of a possible gap between (national) discourses and (local) practice, between talking and doing.

The two preliminary observations concern the tension between an economic and cultural approaches of cultural entrepreneurial practice, and the discourse / practice gap in operationalising economic thought in cultural organisational practice. The observations lead to the hypothesis that in developing a methodological point of view we will at least need to be sensitive to situated interpretations of ideological discourses, and, paradoxically, to mechanisms in organisational practice that contribute to the establishment of these gaps. Our position (and experience) is that the constructionist approach is the more productive one in our field of interest.

In the following I will first present a number of cases that illustrate aspects of connection-making. They pertain to concrete organisation – to – organisation connections, but also to more political practices such as cooperative governance. I have discussed these cases elsewhere, and introduce them in order to reflect on the methods used.

## **2. Discourse and practice**

The first case is a discussion of a study on the strategic practice of cultural and creative organisations. In Kolsteeg (2016a), I put into focus how organisational actors in cultural organisations develop idiosyncratic understandings of economic and managerial language. In Kolsteeg (2016a) I do not present new empirical material, but return to insights produced in an earlier longitudinal, non-participatory observation (Kolsteeg, 2014) on strategic practice in cultural and creative organisations.

Terms such as strategy, growth, leadership can be radically re-interpreted in cultural and creative organisations, and these interpretations significantly define managerial practice in these organisations. In many cases the operationalisation of these terms was much more connected to the daily artistic and creative practice than to economic / managerial imperatives found in policy discourse. Organisations demonstrated the capacity to connect to a political economic (neo-liberal) discourse, while at the same time maintaining an autonomous artistic/creative identity. Likewise, views on the professionalism of a cultural manager or

entrepreneur were observed not only to be discursively constructed, but also did these constructions determine managerialist practice.

An illustration of how these processes may work is provided by taking a closer look at the political discourse on cultural entrepreneurship in the Netherlands discloses that the Dutch national government's definition of entrepreneurship in the cultural context is predominantly that it comes down to developing a (necessarily 'creative') solution to the budget deficit that is caused by reduction of government support in the first place. The entrepreneurial *practice* in the Dutch cultural field in relation to local administrative levels however, after a slow and hesitant start, shows signs of a more substantive interpretation and operationalisation of the term, related to not only financial, but also (local) societal and artistic impact. In strategic plans, cultural organisations tend to relate to the government definition of entrepreneurship as well as to a broader understanding of the term. Here we observe that organisations create and support a dual connection. First, a connection to the economic and political context, and a connection to the world of artistic and creative development.

In discussing this phenomenon I use the theoretical position of the performativity of language, invoking the 'CCO' (Communication Constitutes Organisation) argument (Ashcraft et al., 2009) and by being aware of sense making processes in organisational practice (Tsoukas and Chia, 2002). This perspective allowed to realise that in order to understand organisational practice it is key to understand processes of meaning making. Perceiving the relationship of a cultural organisation with the outside world as a practice of continuous discursive interaction allows to understand how references to and use of political and economic terms and concepts contribute to the construction of that relationship. At the same time these terms can (even unreflectively) be given alternative meanings. Cultural managers, through the act of translation and reinterpretation, realise and shape a connection with the context.

Also a connection can be suggested between discursive operations and the construction of managerial identity in cultural/creative organisations. In order to shed more light on how professionals construct a professional identity through the establishment of connections, I refer to the perspective developed by Noordegraaf (Noordegraaf, 2011) and Thomas (Thomas and Hewitt, 2011) on how professionals in times of ambiguity tend to 'renegotiate, realize and affirm' their professional identity. Reacting to the dynamics of the context, managers in cultural organisations define their roles as leader in a way that deviates from the traditional praxis of dual substantive/business management structures. In creative for-profit teams, leadership can be a more distributed activity. The identity of organisational actors is – partly – determined by how they make sense of their experiences in connecting with third parties.

### **Trust**

Cooperations are not always successful. In Dutch political understanding of securing economic growth, the realisation of sustainable connections between creative for-profits and non-creative parties is seen to be conducive to a sustainable technical innovation and macro-economic progress. In Kolsteeg (2016b) I set out to understand what it is that frustrates the success of this type of cooperations, despite often extensive and long term government support. I focus on the cooperation between creative for profits and other businesses. Cooperations involving cultural organisations are not part of this analysis.

For the analysis in this publication I use the concept of social networking, and the importance of social capital to create connections and exchange information, as well as the role of trust in this process (Blumberg et al., 2012). It builds on the contention of Hardy et al. that trust can be understood as a 'process of sense making that rests on shared meaning and the involvement of all participants in a communication process' (Hardy et al., 1998). Interpersonal trust can be transferred to organisational level in order to support participatory decision making (Das and Teng, 2001). Here we see unsuccessful cooperations because differences in the interpretation of terms are not discussed. The relationship does not conduce trust.

Literature shows that creating trust is a complex process because the parties involved are often not equal. Particularly telling for how cooperations can be established is the concept of 'façades of trust': one of the partners in a cooperation is dominant and enforces the terms and conditions of the cooperation. The other party capitulates to this order and thus sustains a situation of unbalance.

This unbalance explains to a degree explains the suboptimal level of success of creative / other cooperations in the Netherlands. Explicit or implicit entry conditions for cooperative projects cause that creative micro SMEs experience cooperation like an un approachable fortress, and unified creative organisations publicly plead for more understanding of "the specific characteristics of the creative industry (diversity, SMEs, intellectual property) and provide space for experiment and customization, focussing on crossovers between creative industry and other sectors [...]" (DCI, 2016). In today's dominantly neo-liberal context short term economic effects of innovation are all that is expected, which is not only in contrast with the specific ways of working of creative firms, it is also – consequently – in contrast with the essence of creativity. Instead of realising a start situation for cooperations between creative for profits and firms in other sectors that conduces trust, the harsh reality is that creative firms as the underlying party capitulate, and innovation and cooperation lose.

Creative hatcheries or hubs, the spatial manifestations of the connection between creatives and others, also tend to adopt economic reasoning to explain their raison d'être, downplaying the specifics of creative innovation processes. A salient example of such capitulation is observed in the Dutch gaming industry. This sector was elected (and let itself be elected) as a prime example of creative innovation and economic progress. That the pressure on the sector was experienced to be immense was illustrated in 2016 by the discovery that the sector had for some time deliberately manipulated growth figures to appear more successful than it actually was.

### **Political support**

A final illustration is taken from the European field, in particular from one of the calls in the Horizon2020 research agenda. This call refers to the establishment of participatory governance in cultural organisations, as a future orientated attempt in order to improve the relationship with user groups that are traditionally harder to use.

The advocacy organisation *Voices of Culture* defines participatory governance by acknowledging the double meaning of governance, referring to both government and organisational management, to suggest that this compound term refers to sharing government and management 'with the citizens to whom the heritage belongs'. More specific vocabulary on participatory governance is to be developed, one that relates more closely to institutional and regionally situated interpretations and practices. The report puts forward that one can only speak of participatory governance when it is based on shared power. The document defines participatory governance as the intersection of leadership and the civic position of a cultural institution, resulting from the intersection of internal and external cultural leadership. It constitutes a relationship between cultural leaders, citizens and (local) political actors, in line with the European ideal to foster democratic participation, sustainability and social cohesion'.

In their brainstorming report 'Participatory governance in cultural heritage' (Voices, 2015), *Voices of Culture* enumerates a number of challenges on the road towards participatory governance. Among these challenges are lack of political will to cooperate or lack of conducive political structures; lack of professional will, conflicts of legitimacy, and lack of funding, public private partnerships. Creative innovation in the field of creating connections requires both leadership from political and professional actors, and new constellations of cultural / non cultural entities (or: cultural and 'new services'). *Voices of Culture* points out that realisation of participatory governance requires political will and structures, and professional preparedness.

A successful connection between cultural organisations and social groups requires a structure that supports the 'situating operationalisation' of political ambitions. With this I mean that political discourses are translated

into practice with the risk of discourse and practice diverting. In translation, discourses are adapted to local praxis. This leads to the position that participatory governance is understood as the strategy for cultural leaders to improve the relationship between institutions, audience groups and political stakeholders, involving artists in exploring a new relevant role for cultural institutions in societal discourse. This tension between political and artistic discourses, and political and artistic practices, is the essence of successful cooperation between art and society, or between cultural organisations and specific groups in the population. The tension needs to be thematised, not to realise a head-on confrontation or rest in surreptitious avoidance, but in order to thematise this relationship for – agonistic – constructive discussion.

The discussed projects are diverse in scope and in objects of analysis, but they do reveal aspects of making connections between cultural or creative organisations and other entities. We have found discursive aspects, idiosyncratic interpretation of terms and translation in organisational practice. We have seen construction of identity, and we have seen the importance of alignment of macro and micro levels of political and leadership activities.

For now, we can conclude in that the practice of making connections we can observe:

- How practitioners make sense of macro discourses and connect them to micro.
- How practitioners realise a functional space (context) for action.
- How practitioners construct professional identity and trust.

In studying connections, the objects of analysis are meaning making practices, context relation practices and professional identity. In thinking about methodologies and practical research methods we will keep these issues in mind.

### **3. Thinking about Method**

In this paragraph, we will elaborate on the theoretical concepts of meaning making, context (including macro and micro relations) and identity, which we extracted in the previous discussion. We will theorise on three central concepts that were abducted from the discussed practices of connection making. These concepts are meaning making, context and identity. We will also discuss research methods that can be related to these three concepts.

The fundamental criteria for looking at methods are

1. They need to be concerned with interpretation of language and practice. Meanings cannot be 'apperceived or accessed directly, but only through interpreting their artifactual representations' (Yanow, 2006).
2. They need to be aware of how practices are embedded in context and routine activities (Grand et al., 2010).

Three techniques are central in interpretive research, interviewing, document analysis and (participative) observation. It makes sense to look at discursive practices, rules, rituals, in short all activities that contribute to the construction of meaning making practices. Core concepts are not taken for granted, but observed in the process of their making of (Bachmann-Medick, 2015). Looking at social phenomena through a constructivist and contextualising lense means to 'reconnect the interpretation and analysis of the social process of the constitution of meaning' (46). This means micro-investigation and connecting discourses to Discourses. The formulation of the characteristics of such an approach closest to our field of interest, is the work done on epistemology and methodology in Strategy as Practice research. Three specific approaches resonate with our discussion. These are the perspectives of Critical Discourse Analysis, Ethnomethodology, and the Identity perspective. For each perspective, we will discuss its epistemological fundaments, aspects of its methodical practice, and issues of generalisability.

#### **Meaning making: Critical Discourse Analysis**

The strength of critical discourse analysis (Vaara, 2010) is its critical awareness of the relation between



discursive practices and underlying Discourses and ideologies, strategies of legitimations and rationalisation. CDA methods are primarily based on close reading of texts in combination with other social practices, and a continuous going back and forth between reading, interpreting and theorising. A possible weak point for such a simultaneous text / practice analysis is the often unequally available source material. After all, official discourses can be readily available from official and public (online) platforms, while live person-to-person interaction can be much harder to get access to, and requires the researcher to make decisions about being in or outside the observed practice. A critical position is aware of how the lack of acuity in neo liberal discourses is what creates space for meaning making, while at the same time politically correct interpretations can dominantly influence the interpretive practice.

Practices of meaning making are situated in the 'lifeworld' (Yanow, 2006: 12) of an individual, and they are influenced by (understandings of) prior experiences of the individual. Meaning making is a social process, in so far as the meaning that is constructed is shared, "developed in the course of living in common, interacting through the medium of political, cultural and other artifacts..." (14). Human acts are considered as both expressions of and contributions to meaning making (15). This hermeneutical perspective requires going back and forth between 'text' and 'context'.

As a methodological starting points for research that looks at gaps between discourse and practice (criterion 1 above), Bellier (2005) suggests a combination of the linguistic take that conceptualises discourses and the anthropological take that looks at real people. This elaborates the discourse in CDA to the operationalisation of discourses in practice. Participant observation reveals differences between organisations in for instance processes of institutionalisation of elements of organisational culture. These processes can be extremely complex and may involve a wider variety of contextual levels (criterion 2). Bellier points at how (political) globalisation affects the definition of the relationship with others, where economic and power inequalities remain. Organisations are part of a system but at the same time they are mutually dependent within and outside borders of nation states: "[...] borders have not disappeared, and the process of classification, which leads to categories of thoughts, that serve to fix policy orientations, arrange groups, define interest relations, and elaborate conditions for association of exclusion, is extremely sophisticated" (id.). This requires a critical position aware of the lack of precision in discourses (in our case for instance in the understanding of terms like growth, cultural entrepreneurship).

We have seen in the case of the Dutch gaming industry how its manifestation as a sector was informed by underlying political and ideological discourses on political expectations of the importance of the creative sector in revitalizing Dutch economy. The critical perspective of CDA would in the case of the game sector add to the interpretation of the situation as a matter of (economic) power and (creative) submission.

Weak points in CDA are sampling and generalisation. Vaara's (2010) suggests that in CDA generalisation is a matter of elaborating on key findings and placing them in a wider context. This seems logical but it also evokes questions about the conceptualisation of context and the relationship between the object of discussion and its context. This issue will be discussed on the basis of the more dynamic conceptualisation of the relation between practice and context developed by Van Dijk (2008). What CDA certainly can do is reveal discursive strategies such as legitimation or moralisation in an observed practice.

*Methodical points of attention*

- *Meaning making is situated.*
- *Language and practice*
- *Preciseness of definitions*
- *Awareness of effects of globalisation on power inequalities in discourses*
- *Access to material*
- *Generalisation*

### On (the construction of) context

The second core concept we will look at more closely is context. Moving from discourse to practice can be understood as dealing with the relationship between text and context. Van Dijk (2010: 230) introduces *context models* as an intermediary level of observation and analysis. Van Dijk describes how a language user “adapts to the communicative environment through subjective interpretation of that environment”, or to the interpretation of underlying structures, facts and ideologies and discourses. Text and situation become mingled in the language user’s mind. The concept of the context model allows us to think of context as a cognitive and subjective model, created by participants in a discourse, which helps them to “analyse, understand, and represent social situations, both individually and in accordance with the norms of a group or community”. The context model combines subjective and intersubjective understandings or shared beliefs. Van Dijk particularly draws attention to how participants represent the “knowledge of the others, a fundamental condition for all interaction”. The context model discloses how a participant constructs context on the basis of individual and shared knowledge and beliefs, and how discourse relates to subsequent action.

The *ethnomethodological* approach (Samra-Fredericks, 2010) is primarily concerned with understanding how people make sense through every day practice. It adds to critical discourse analysis through its attention of the micro level of interaction. For this it is necessary to observe people’s everyday talk and reasoning during everyday communicative interactions. The focus is on the practitioners’ use of language and the central methodological point is the analysis of conversations. In detailed scrutiny of conversations the researcher can observe how interlocutors, through their verbal interactions with interruptions, negotiations, the use of authority or seniority, alternating signals of dominance and submission, in short underlying power-dynamics among the interlocutors. Important for our discussion is that in conversation analysis context is not “taken for granted” (Samra-Fredericks, 2010: 232), but is considered to be part of what is created in conversation. This constructionist position opens up the possibility to look at the relationship between (conversational) practice and underlying structures (critterium 2) as one that is continually changing.

The awareness of conversational power-games relates this method to critical thought discussed earlier. It can bring to light how in an interaction roles are divided, for instance that “certain members are *expected* to ask the questions while others *should* provide answers ...” (234, emphasis in the original). In terms of Van Dijk’s (2010) context model: a member’s language use in the conversation can disclose the categories in this member’s context model. A context model cannot be observed as a real object, yet its existence can be inferred from the practice that we can observe: “we can study the consequences” (107). The way “things are being formulated” gives away underlying perspectives on the world. In our field of interest, we can for instance infer the characteristics of an internalised context model from the way practitioners justify their actions and describe their environment and “quality of the relationship”. How do practitioners’ evaluative expressions on relationships reflect on the concept of relationships, how do they contribute to the construction of their context?

For example, hearing an organisational leader talk about cultural leadership in terms of ‘leading the way’ and ‘organising support for my ideas’ reveals how this leader thinks about the relationship between the organisation and its environment, what position other organisational members have in a strategic process, and what the importance is of keeping external stakeholders informed. In the Netherlands, more scientific and political attention is developed to thinking about the contours of cultural leadership in the future. Analysing a leader’s conversation will bring to light how terms that originate from such underlying (cultural-political) Discourses are given importance and meaning on a local and situated level, or how these meanings are negotiated by interlocutors looking for a common understanding of these terms, to justify their further practice.

In practical terms, the choice for performing conversation analysis requires the researcher to be present at the right moment in the right space. It requires a sensitivity of the researcher to how the practitioner understands the world and expresses understanding of the world, therefore the method requires a long term closeness between researcher and practitioner. This of course includes the obligation of the researcher to reflect on how her presence influences the situation under scrutiny, and to be very much aware of to what extent research findings are influenced by the interaction with practitioners (or practice by the contact with the researcher). The method of thick (as in non-reductionist) description allows the researcher to connect to the “complexity and multi-layered quality of cultural utterances” (Bachmann-Medick, 2015: 46). It allows to separate the significant from the insignificant and allows to develop theory from the actual practice. Bachmann-Medick points at the problematic aspect of working with thick descriptions, which is the question ‘how dense must a cultural description be in order for it to be conclusive’? A solution to this would be using the grounded theory (Charmaz, 2006) that allows a researcher to move systematically from a thick description towards a categorization of characteristics of the observed social phenomena.

*Methodical points of attention*

- *Context is a cognitive and subjective construct*
- *Longitudinal observation*
- *Thick description*
- *Closeness to the practitioner*
- *Access to observable practice*
- *Reflection on position of the researcher*

**On identity**

In his discussion of our third concept, that of identity, in Critical Management Studies, Thomas (2009) uses Laclau and Mouffe’s (1985) suggestion that identities are part of discourse. Turning to Critical Management Studies and Critical Discourse Analysis makes sense for our present endeavour because of their perceptiveness of power situations in discourses and practices, and their interest in emancipatory processes. The discussed cases on trust and on participatory governance illustrate that such perceptiveness is functional to explaining the practice of connecting by cultural and creative organisations. The discussion on identity evolves among other aspects around the ontological questions whether identity is fixed or a consequence of the act of identification. With Laclau and Mouffe, Thomas (2009) proposes that identities are contingent and fluid, albeit that a meaningful identity can be partially fixed by drawing from discourses (or contexts, criterium 2 above). When confronted with disturbances of the social framework, a subject will experience an identity crisis and will perform an act of identification. This identification involves agency in the sense that a decision needs to be made, but it also involves the structural level, represented by hegemonic discourses. A (sudden) lack of structure leads agents to make identity-constructing decisions.

In the case discussed above on the role of trust in establishing cooperations by creative for-profit firms, I mentioned how ‘the’ creative sector experienced a breach of the structure when it realised that connections were not materialising the way they were expected to. In a (exceptional) manifestation of unity, the sector showed agency and publicly implored to henceforth be approached with more respect and understanding of the creative identity. This action logically involved a description and therefore a fixation of this identity. The connection made between language and practice (criterium 1) is one of stabilisation and definition. In this discursive act, the sector renounces from the hegemonic economic perception of interfirm cooperations. If we were to investigate this example in more depth and research in conversations how creative professionals justify their actions of resistance, I presume we would encounter influences of discourses on creative and cultural autonomy, arguably the core characteristic of a cultural/creative identity.

For this third method it is relevant to look into how the close and lasting relation of the researcher with her subject that was mentioned in the previous paragraph is further developed. For the discussion of this point of view we draw on the work done by Johnson et al., who show that this closeness is particularly important to explore the 'interconnectedness of strategists' identities and their praxis' (Johnson et al., 2010). Johnson et al. (discussing research in the field of Strategy as Practice) connect to the constructionist point of view that in everyday practice, strategists are "enacting an identity of strategists" (248). They do this in a local environment, using their (tacit) knowledge of local praxis. The point is comparable to Van Dijks (2010) suggestion of working with a context model, elaborated with a recursive effect of this model on the practitioner's identity. Cooperations between cultural/creative organisations and other organisations materialise in local settings, which bring along a set of *praxis* rules. Understanding the working of these cooperations requires understanding how an informal, in between level of theorisation that actors live and work with, drives their practice, and how the practitioners' interpretations relate back to their self-understanding. Identity is therefore a dynamic phenomenon, it is continually *being* constructed. In Kolsteeg (2016b) I refer to the work of Noordegraaf (Noordegraaf, 2011) to illustrate how in the cultural sector practitioners can be observed to construct a leadership identity on the basis of a personally contrived and situational combination of creative and business responsibilities.

So 'identity work' in our field requires a long term 'close-with' observation on how practitioners relate practice to praxis. Methodologically, this results in establishing longitudinal associations, realising different kinds of relationships and observing several types of performances by the actors. Once a basic level of trust has been established, the close relationship also starts to become meaningful for the subject, who can share thoughts and doubts with the researcher, perhaps seeking the advice of an academic professional. Therefore, this method requires a substantive level of reflectivity of both researcher and practitioner to remain aware of how friendship, consultancy and scientific research relate.

#### *Methodical points of attention*

*Identity is contingent and fluid but can be fixed in crisis*

*Creative identity (identity?) is (re-)affirmed in times of crisis*

*Relation to praxis*

*Longitudinal*

*Reflection*

#### **Reflections**

After having coined the metaphor of translation earlier in this contribution, it would have made sense to turn to the Actor Network theory for further elaboration of our central practice as a network constructing activity. The connection with the concept of 'translation' developed in the Actor Network (Latour, 2005) theory seems logical. Before we can take ANt as a theoretical and methodical perspective we will need to take a closer look at the ramifications of this view. The essential realisation of researching practice using ANt is the contention that the social isn't there as a separate entity to which actors relate; instead it is the consequence of the actors relating. The "plasma" as Latour (2005) calls it, the invisible material that goes round, or the "plug-ins" that actors subscribe to in order to *create* the social, these invisible entities are the real objects of analysis. The concepts presented in this contributions are all excellent candidates for the role of "plasma". Meaning, context and identity are the building blocks of, in our case, the (social) practice of making connections between cultural / creative entities and others. Their movement through the social leave traces that become understandable in relation to ANt terms such as translations and macro-micro respectively. Researching with ANt as a tool for disclosing the secrets of this practice means choosing an actor and starting pulling the strings constructed between that actor and other actors. In doing so, the techniques

discussed in this contribution of discourse and document analysis, longitudinal observation, are prominent. The mindset which is additional is to let go of the distinction between actor and context altogether and start following those actants that leave traces, keeping your heading (the central research question) in view at all times. An interesting suggestion taken by Grand et al. (2010) from Latours work is that of cultivating *alienating perspectives*. Coining deliberately 'vague' concepts in the process of theorization, in order to observe how these terms are given meaning in the observed practice. In terms of ANt: there is no social, what you see is people creating the social. The question is not which ontology you adhere to, but which ontology your subject operationalises. Further research should shed light on how a consistently taken ANt perspective works out in our field of interest.

A second contemplation in this contribution concerns how we can make knowledge on different reality constructing practices, and insights in gaps between discourses and practices, productive. How can insights in cultural cooperational practice benefit the central issue of creating relationships with others? A first step in this direction would be to not only discuss cultural/creative organisational practice in interpretive terms, but apply the same perspective to the 'other' organisational practice. Creating an equal level for comparison will reveal the differences between these practices as different strategies for sense making. This will eventually allow for learning from each other and making differences productive. This also holds for comparative research on how cultural practitioners in different regional settings relate to cultural-political discourses. In the attempt to understand each other's practices it is important to realise that doing research is a practice that intervenes with the scrutinised practice. A constructivist approach requires the researcher to accept the research process as a discovery, and the necessary methods as techniques that require a flexible and creative attitude (Grand et. al 2010). The interaction of research and reflection with the observed practice is a continuous point of attention.

A third reflection elaborates on the importance of a dynamic concept of the practitioners' identity. In understanding cooperation on the level of (organisational) identity differences, the question is not what the other's identity *is*, if only because a static understanding of identity would require a conceptualisation of the environment as a static and objectively knowable entity that doesn't concur with a constructionist ontology. We can hardly learn from what the other's identity is, because the cultural elements that need to be made sense of in order to make identity what it is, can hardly be re-contextualised. Instead, we can learn from how the other sets about *constructing* identity. What are the tactics to deal with macro-micro relations, praxis, ideologies, dominance, ruptures in structures? And, important for educators in this field, what competences do cultural entrepreneurs require to deal with these contingencies? Going further on this point is the realisation that the cultural/creative mode of constructing reality through language and practice may well have meaning outside our sectors as well. The interest shown by non-creative sectors for what I would shortly call the creative modus operandum involves how creative thought relates to post Fordist labour regimes in terms of innovation and economic growth. Looking at it from the perspective of relations and cooperations, cultural/creatives sense making practices could well inspire actors in non-creative sectors. Thus cultural/creative entrepreneurship could 'learn as well as contribute to the business community's smart practices' (Wyszomirski and Goldberg-Miller, 2014).

For us as researchers, a modest constructionist awareness is in order. Exchanging perspectives among research traditions is needed in order to create a rich understanding of the practice under scrutiny. Also we should be aware of hegemonic tendencies in comparing practices in different regions. Buden (2016: 175) discusses this matter poignantly in his critique on how research of Eastern European cultural practice can be studied in how it differs from hegemonic Western European culture.

## Conclusion

This contribution discusses methodological and methodical considerations for interpretive research in the field of cultural and creative entrepreneurship, particularly the practice of creating connections between these organisations and others. I contend that a logico-economic perspective creates a power imbalance to the detriment of creative/cultural practices. This justifies a perspective informed by critical theory. On the basis of research examples I have identified three attentive concepts, namely the creation of meaning, the creation of context and the creation of identity. I have introduced three criteria to evaluate research methods, namely the awareness to the interaction between language and practice, and the embeddedness of action in context and routine. As objects of analysis, these three concepts and two criteria were connected to three methods known in interpretive organisational research, namely critical discourse analysis, ethnomethodology and identity work. These three methods are essentially critical and concur in the basic position that practice is understood as an expression of how practitioners understand and co-construct reality. They differ in deliberations on closeness to the subject and unit of analysis.

Table 1 – Characteristics of methods

	CDA	CA / EM	Identity work
<b>Focus</b>	Critical awareness of underlying ideologies	Critical perspective on micro-interactions Construction of context	Enacting identity narrativity
<b>Unit of analysis</b>	Text	Conversation / practice	Practice and praxis
<b>Core method</b>	Close reading of texts	Observation of interactions	“Close-with” relation Observation of different setting
<b>Matters to be aware of</b>	Availability of resources, Reflection on researcher in or out of the situation	Meaning making is situated. Preciseness of definitions  The construction of context and underlying dynamics in conversations.	Contingent and fluid Fixed in crisis The agency and will to reflect upon and challenge hegemony Creative identity is autonomy
<b>Methodical points of attention</b>	Access to material Generalisation	Longitudinal observation Closeness to the practitioner Access to observable practice Reflection on position of the researcher	Relation to praxis Longitudinal observations Reflection on the position of the researcher

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## **Exploring art semiotics in cultural diplomacy: Case study of the Taiwan Pavilion in the Venice Biennale**

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### **Abstract**

This paper explores the 20-year history of the Taiwan Pavilion at the Venice Art Biennale as a case study in cultural diplomacy. Along with the changing international politics, the Taiwan Pavilion has developed its bureaucracy and evolved through different stages of exhibiting while also arousing internal controversial debates over the past 20 years. The study focuses on two aspects of the Taiwan Pavilion: 1. Taiwan's art representation and cultural diplomacy in this international art platform amidst the changing dynamics of international political relations; and 2. The art exhibited in the Pavilion, which is driven by the interaction of international politics, internal Taiwan socio-cultural identity and global art trends. Though most art professionals insist on the independence of art from politics, the official policy behind participating in international mega art events is necessarily endowed with public policy considerations. Otherwise, the internal development and exhibition practice would be limited in effect.

Keywords: Taiwan Pavilion, Venice art Biennale, cultural diplomacy, cultural policy

### **Introduction**

Cultural diplomacy has recently emerged as a popular public policy issue for the Asia Pacific region (Ang et al., 2015). Although there is no clear understanding or consensus as to the definition of cultural diplomacy and its appropriate stakeholders (Nisbett, 2016), this thesis adopts the explanation that "cultural diplomacy is a governmental practice that operates in the name of a clearly defined ethos of national or local representation, in a space where nationalism and internationalism merge" (Ang et al., 2015). For Taiwan, cultural diplomacy faces the following dilemmas: the diplomatic blockade due to Taiwan's ambiguous international status; no co-ordination of international cultural affairs units; and lack of evaluation indicators (Tsai, 2015). Despite these challenges, important international art exchanges in cultural diplomacy have been undertaken by public institutions that have abundant budgets and cultural resources in Taiwan. The usage of the public fisc results in the official international art projects, such as overseas exhibitions or domestically held international exchange exhibitions and Taiwan's own international Biennales, being unable to avoid official and political considerations. Despite its politicized nature, Taiwan art circles view international art exchanges by museums as independent art events, which are supposed to avoid political interference. However, this paper argues that only focusing on art or arts management is not the means to comprehensive research on the public institutions' international art events. This thesis tries to take the Taiwan Pavilion in the Venice Biennale as a case study, exploring its changing strategies and performance from the perspective of cultural diplomacy and policy. The Taiwan Pavilion has been facing controversy and uncertainty in its varying implementation because of the missing pieces of a consistent cultural policy. Especially, Taiwan's biennial culture must be understood within the historical context of the "official art exhibition" (Wei, 2013).

## **1. Visual art in Taiwan's cultural diplomacy: network governance**

Many ministries, bureaus and councils, local governments, public institutions, and the private sector in Taiwan undertake international cultural affairs activities but the Taiwan government still lacks coordination and integrated planning for cultural diplomacy (Tsai, 2015). The most important policy institution for cultural diplomacy, the Taiwan Academy, was set up in 2011, and it is composed of several government ministries' international cultural affairs divisions: the Ministry of Foreign Affairs (MOFA), Ministry of Culture (MOC), Oversea Community Affairs Council (OCAC), Ministry of Technology (MOT), Ministry of Education (MOE), and the Taiwan Tourism Bureau. The mission of the Taiwan Academy focuses on Chinese language teaching and promotion of traditional Chinese characters; Taiwan and Sinology research; and presentation of Taiwan's diverse culture. MOC is the competent authority over the academies.<sup>1</sup> However, the policy has had no further development since 2012. In fact, the policy of the Taiwan Academy is an integration of ministries' existing international cultural affairs, not a new perspective and thorough plan for Taiwan's cultural diplomacy.

To understand the more comprehensive international cultural policy in relation to art, MOC is the main responsible ministry in the government structure. The MOC's policy introduction explains that its cultural exchange policy emphasizes on establishing international offices, cooperating with other overseas institutions, exhibiting and performing Taiwan art, and networking with international institutions. The most important points are to promote national culture and winning mutual understanding.<sup>2</sup> Nowadays, MOC has 12 overseas offices promoting national cultural affairs. In addition to 12 overseas offices, international culture affairs in MOC are mainly conducted through subsidiary policies. It seems that the central government is passive and without active planning. Practical official cultural exchange projects mainly rely on professional institutions at different levels. Public museums are crucial institutions, which are responsible for international cultural exchanges, by cooperating in international exhibitions with international institutions, participating or holding overseas exhibitions, and networking with international institutions. Discourse and statements of museum's international projects mainly focus on international cultural exchanges and artists' international networking but the political nature of public policy is usually unseen. However, since public museums are government agencies, it is still important to explore the political nature beneath their policies. Under the framework of cultural governance, can the core ideas of the government's cultural diplomacy be implemented in institutions' international projects? It is also related to the cliché question: can art ever be completely separated from politics?

In the past 30 years, Taiwan government's attitude toward cultural governance has changed from a directly ruling position to network governance, cooperating with the private sector stakeholders, promoting independent private sector activities, and cultivating diversity and contemporary art productions. Therefore, projects of public museums mostly emphasize the professional content, and the help or cultivation for artists. Some international projects are conducted with regard to being representative of the national level, and are endowed with a mission of cultural diplomacy. The discussion of these kinds of projects is supposed to be reviewed under the context of national cultural policy. The Taiwan Pavilion in the Venice Biennale, which has lasted for the past 20 years, is an ideal case to be explored.

## **2. Research on the Taiwan pavilion in the Venice Biennale**

The Venice Biennial is the only international mega biennale that adapts the system of "national pavilions". It is viewed as a highly networked exercise in cultural diplomacy and state-building (Garnsey, 2016). Although the Venice Biennale is becoming carnival-like and themes are tending to be abstract aesthetics, it cannot

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<sup>1</sup>Retrieved from "bilingual policy guide" in Taiwan Executive Yuan's website: [http://www.ey.gov.tw/pda\\_en/Dictionary\\_Content.aspx?n=A240F8389D824425&sms=D8F3EB15472D7847&s=83C36A12A24AD0C9](http://www.ey.gov.tw/pda_en/Dictionary_Content.aspx?n=A240F8389D824425&sms=D8F3EB15472D7847&s=83C36A12A24AD0C9)

<sup>2</sup> Retrieved from MOC's website: <http://english.moc.gov.tw/article/index.php?sn=174>

avoid international politics due to the existence of national pavilions (Kao, 2011). Art circles in Taiwan use to discuss the artistic production of the exhibitions in the Taiwan Pavilion. This thesis tries to explore the Taiwan Pavilion in the perspective of cultural policy, and synthesizes with exhibition politics.

### **The forming and content of the public art policy**

#### **(1) Sociocultural context of emphasizing international exchanges**

The Taiwan Pavilion was established in 1995. In that year, the sociocultural context was that the government developed diplomacy policy and promoted it ambitiously. In the cultural field, private institutions or individual artists were the main agency for conducting international cultural affairs. Most international cultural affairs were isolated and lacked integration of resources. The milestone of promoting international cultural affairs for the Taiwan government was to establish “the Section of Cultural Exchange” in the Taiwan Council for Cultural Affairs (CCA)<sup>3</sup> in 1995. The mission of the section included supporting international art groups and holding or participating in international cultural conferences. This marks the starting point when the Taiwan government systematically began promoting international cultural exchanges (Lu, 2000). About the vision of “internationalization” then, it could be seen from the second chapter of “Visual Art” in the “Cultural White Paper, 1998” as follows:

1. To actively seek participation for important international tour exhibitions to include Taiwan for display locales.
2. Participate in international visual art groups or organizations.
3. Increase international understanding of Taiwan’s visual art environment.
4. Promoting Taiwan’s visual art, collecting international information and seeking international exhibiting space for Taiwan’s participation.

The Taiwan Pavilion’s responsible institute, the Taipei Fine Art Museum (TFAM), was founded in 1983. The major directive in TFAM’s mission statement is “internationalization”, and it had accumulated many international resources in the 1990s’. While TFAM is a municipal institute, however, it operates many international mega exhibitions. The identities of TFAM are two-fold: 1. Taiwan’s first modern art museum; 2. a secondary institute under the Taipei city government. With an abundant budget and professional human resources from the city government, TFAM has become a highly professional public institution, and much more than a mere secondary administration institution (Yeh, 2012).

### **The first Venice Biennale participation**

In 1993, Taiwanese artist Lee Ming-sheng was invited by “Aperto ’93: Emergency”, to exhibit at the 45<sup>th</sup> Venice Biennale. TFAM sent a research assistant to collect data then. In 1995, in the interministerial meeting that was mediated by CCA and composed of related ministries<sup>4</sup>, TFAM won financial assistance from central government ministries to participate in the Biennale. The exhibition space was set in the Palazzo delle Prigioni venue, which was rented with the help of TFAM’s international networking and CCA’s official formal letters. The Taiwan Pavilion formally participated in the Biennale as a National Pavilion, by TFAM’s organization, and with the official negotiation by the central government institutions: CCA, and the Ufficio di Rappresentanza di Taipei in Italia. This was a breakthrough in Taiwan’s diplomatic dilemma for Taiwan to join in international art events officially and formally by the title, ‘Taiwan R.O.C. Pavilion (Republic of China, Taiwan-Taipei)’. It was not only about the art exhibition, but also about political negotiations and wrestling

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<sup>3</sup> The Taiwan Council for Cultural Affairs was founded in 1981, and was responsible for national cultural affairs. To be comprehensively in charge of cultural affairs, it was merged with the Government Information Office, a department in the Ministry of Education and the Department of Research, Development and Evaluation Commission in 2012, and transformed into a new ministry -- the Ministry of Culture.

<sup>4</sup> In the interministerial meeting, participating units are: Ministry of Education, Ministry of Foreign Affairs, Government Information Office

(Lu, 2000). In 'The Investigation of the Strategy in the International Exhibitions of the Taipei Fine Art Museum in the post 90s', Lu (2000) described the Taiwan society's reaction to the exhibition in 1995 as:

This result led to praise that Taiwan used culture to break through a diplomatic dilemma, leading to an attitude of pro-Nationalism and using culture against political opponents. Therefore, domestic media reports were glowing with joyful enthusiasm. The titles or paragraph of reports used romantic emotion instead of insightful reportage of art works, for example, 'Expectant Self Speaking Out,' 'National Representative Team 66,' and 'Successful Attack.'

The success factors for establishing the Taiwan Pavilion in 1995 were: TFAM's hard work, the national policy for "soft diplomacy" at the time, and the integration of different international resources. TFAM, as a municipal institution, called for the assistance and cooperation of the central government to participate in the national exhibition. The successful cultural diplomacy shows the activeness of the public institutions involved. However, the attitude of the central government seemed to be passive. After the first participation, there came an issue of building a permanent Taiwan Pavilion in the Venice Biennale. TFAM had been working for establishing the permanent pavilion from 1995 to 1999; however, the proposal failed under the uncertain and passive attitude of the central government, the changing situation of Taiwan's international political relations, and the considerations of cross-straits diplomacy (Chen and Hu, 2010). Since Korea had built their own permanent national pavilion<sup>5</sup>, the Taiwan art circle viewed this failure as losing an international platform for Taiwan contemporary art to be fairly exhibited (Hu, 2016). Therefore, the Taiwan Pavilion has to rent the Palazzo delle Prigioni venue as a temporary exhibition space every year. The central government, CCA/MOC, signs the rent contract and provides the rent budget and official administration assistance. TFAM serves as the exhibitions' commissioner and also as the exhibition production unit (Lin, 2010). This way of implementation reduces the influence of the central government and shows the independence and individuality of the art. In the past 20 years, complying with domestic sociocultural and political changes, the visual culture of the exhibitions has presented very different performances.

### **The challenges of the Taiwan Pavilion**

In 2000, Taiwan underwent its first change in ruling party. The new ruling party, the Democratic Progressive Party, was known for a nativist political ideology that is strongly anti-China. TFAM held four conferences to gather opinions from the domestic arts community on the exhibition strategy and to face the challenge of 'how to exhibit at the Biennale under the name Taiwan without provoking a political reaction from China' (Wei, 2013). In 2001, due to China's "one China policy" protest, the Ministry of Foreign Affairs of Italy asked Taiwan to participate in the exhibition in a different title. The Biennale organizers remained faithful to Taiwan's original title though, inviting "Taiwan, Republic of China".

In 2003, under China's politic pressure, the Biennale organizers changed the Taiwan Pavilion from the "national pavilion" section, to the section of the "'Extra 50' non-national exhibition projects by individual institutions." The title of the Taiwan Pavilion appeared as the "Taiwan Exhibition organized by Taipei Fine Arts Museum of Taiwan." For Biennale organizers or the public audience, the Taiwan Pavilion was viewed as a "cultural institution", and the artists and art works were seen as representatives of TFAM, not Taiwan. However, for domestic Taiwan artists, participating in the Taiwan Pavilion has always carried with it the prestige of being a national representative of Taiwan.

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<sup>5</sup> The Korean national pavilion's initiative designer, Kim Seok Chul, was at the time a visiting professor at the Venice University Institute of Architecture. He came up with the idea of building a Korean national pavilion and approached the Seoul government with a proposal. With active support of partner architects, Biennale organizers, South Korea's Minister of Culture, and Korean cultural foundations, the matters of Korean national pavilion was a fait accompli within about a year's time, from the initial discussion stage to final fruition (Chen and Hu, 2010).

### **Different performing stages of the Taiwan Pavilion (1995-2015)**

The Taiwan Pavilion was viewed as a means of cultural diplomacy at the beginning stage and has been through different curatorial strategies in past 20 years. According to scholars' observations and art critiques of the exhibitions, the changing characteristics of the Taiwan Pavilion is as follows:

#### (1) 1995-1999: shaping Taiwan's national subjectivity to the world

After the lifting of martial law in 1987, multiculturalism and identity issues were popularly discussed in the process of Taiwan's democratic reforms and resurgent Nativist movement in the 1990s' (Wei, 2013). The names and themes of these three years are ideas centering around Taiwan, trying to present Taiwan art's characteristics to the world, and at the same time, practicing the dialectic between Localism and Internationalism (Kao, 2011). The themes of the exhibitions from 1995 to 1999 are: 1995-Art Taiwan; 1997-Taiwan. Taiwan: Facing Faces; and 1999-Close to Open: Taiwanese Artists Exposed. In this stage, the Taiwan Pavilion not only was related to cultural diplomacy but also tried to become a means of "defining national art" (Wei, 2013). It had ambitions to show the complete spectrum of Taiwanese contemporary art. The Taiwan Pavilion used culture to arouse nationalism domestically, and presented Taiwan as a new country, expecting to be seen and known internationally (Lu, 2013).

In the 1990s', identity issues were also prominent in the global art world. For the Taiwan Pavilion, the art works with a spectacle and exotic regional characteristics had a kind of advantage – being "easy to be seen," when they were presented under the international art trend that emphasizes multiculturalism and identity (Kao, 2011). The selected artists presented the national characteristics of the country in the international arena, presenting Taiwan characteristics and Taiwan's exotic national imagination.

In 1995, the selected 5 artists showed a variety of trends, including Conceptualism, Neo-expressionism and Pop Art, which could be recognized easily by the international art audience but with Asian features such as Chinese characters and traditional ink and brush techniques (Wei, 2013). Hou Chun-ming and Lien Te-cheng used Taiwan's traditional and folk symbols in art works' form and content. Huang Chin-ho used numbers of Pop Art symbols, building the vanity, luxurious, crowded and gaudy atmosphere of Taiwan society then. He also used folk religious symbols as Taiwan local aesthetics.

In 1997, the artists Wu Tien-chang and Yao Ju-chung both addressed the issues of political persecution and trauma in Taiwan. Wu's work, "Wounded Funeral I-IV", presented images of victimization with the dead's broken faces and using gaudy colors and sequins, which are typically regarded as Taiwan aesthetics. His work implied historical mental imagery of political persecution in Taiwan. Yao's work, "Territory Takes Over Maneuver Sequence", questioned the strong political ruling party's process of "self-legitimation." These two artists' works responded to the political history of the Chinese Nationalist Party's (KMT) persecution of Taiwanese on Taiwan<sup>6</sup>. As for the visual symbols of other artists in 1997, Lee and Chen 's works used Buddhism and Taoism symbols and spiritual elements, involved in the "issue of the cultural identity of the new Chinese cultural core" (Huang, 2010). Wang' s work "Neon Urlaub-Expo Version" discussed alienated capitalist consumption, responding to Taiwan's consumption society due to the good economy then prevailing.

In 1999, the number of artists in the Taiwan Pavilion increased from 3 to 5. Hwang Buh-ching' s work, "A Feast in Nature at the Sunset Home," used natural materials to build food feast and images of Buddha's head and a monk, searching for past homeland memories. Chen Chieh-jen merged old photos of killing and imaginary enactment of real actors as virtual historical images to express his passive reflection of history.

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<sup>6</sup> The Chinese Nationalist Party (KMT) retreated from traditional China on the Asiatic mainland to the island of Taiwan in 1945. The KMT ruled Taiwan until the change of ruling party in 2000. There was the infamous 228 incident in 1947, which caused mass killings of the Taiwanese native elite. In addition, the Chinese Nationalism Party government had practiced military government (which it incorrectly termed "martial law") in Taiwan from 1949 to 1987. During the period of military government, there occurred what is termed the "White Terror", during which people were prosecuted and killed due to political reasons. Therefore, there are many art works dealing with the issues of politic trauma and the ruling party's autocracy in Taiwan history.

Hung Tung-lu used popular comic and cartoon images in eastern Asia, trying to guide the audience to reflect on the consumption culture in modern society. These three artists shared unique visual symbols of Taiwan contemporary society, presenting regional art traits.

To sum up, in these three years, most art works were mixed media and installations that corresponded to global art trends. These art works were distinguished in their “Taiwanese aesthetics”, in order to present the internationalization and regional characteristics of Taiwan’s contemporary art. From 1995 to 1999, the semiotic contents of exhibitions included aesthetic forms, nativist elements, humanity, consumption, spirituality, political, and historical themes. If the goal of the exhibitions was pursuing “to be seen”, then ways to catch international attention included: Taiwan’s grass-root images presented with spectacle, Taiwan’s unique political and historical injuries, the consumption culture in the prospering economy, and Oriental spiritual reflection. In 1995 and 1997, the participation mechanism for artists involved the TFAM forming panels to determine which artists would be invited to represent Taiwan in the Venice Biennale. In 1999, however, the mechanism changed to calling for curators’ proposals. It can be observed that exhibitions mainly depended on panels’ tastes and the museum’s opinions. Therefore, the above characteristics could be viewed as forms of Taiwan’s art identity shaped by panels and TFAM’s curators.

(2) During 2001-2009: leaving from the “national pavilion” section, and pursuing global art trends

After leaving from the national pavilions section, the Taiwan Pavilion did not promote Taiwan as earlier exhibitions did, and turned to present the uncertain identity and peripheralized existence of Taiwan’s international status (Lu, 2013). In 2001, the exhibition, ‘Living Cells’ claimed the shared experience of humanistic concerns and human spiritual life. The ideas of curatorial strategy were “the active search for a shared platform to formulate dialogue with the world” (Wei, 2013: 480). The curator, Kao wrote: “From the perspective of human character, human nature, humaneness, human rights, and human emotions, the regional contemporary arts have ample room for visual and conceptual dialog with global arts”(Kao, 2011: 14). In fact, the name “Taiwan” was strategically dropped. Wei (2013) argues, “This omission was not based purely on curator concerns in order to better position Taiwanese art in the age of globalization. It was largely because of political concerns prompted by the threat of the Chinese government [...]” (2013: 480).

In 2003, the exhibition ‘Limbo Zone’ continued to expand the theme into the common human situation in global circumstances and to discuss urban life in capitalist society. The curator, Lin Shu-Min proposed to explore human psychic spaces through art. In 2005, the exhibition, ‘The Spectre of Freedom’, was inspired by the Spanish surrealist director Luis Bunuel. The exhibition reached out to the ideas of illusion versus reality as a sort of political manifesto for art. It tried to utilize western cultural theories that addresses issues of contemporary society without boundaries and responded to international art trends. At this point, the notion of “nation” was gone. Rather than emphasize Taiwan regional art traits, the exhibition emphasized the traits that Taiwan, as a marginalized small country, brought out while responding to international sociocultural issues and art trends.

In 2008, TFAM set up the “Biennale and International Projects Office (BIPO)”. BIPO organized the exhibition by itself: BIPO used 5 past Taiwan Pavilion curators as consultants, invited artists by itself and organized the exhibition called “International Affairs.” However, this act aroused the art circle’s protests against TFAM because TFAM had cooperated with guest curators’ proposals since 1999. The art circle questioned whether BIPO was a means of manipulation of domestic art production. After that, TFAM restored the mechanism whereby TFAM forms panels and invites curators to submit proposals.

(3) Third stage: returning to reflect on performing Taiwan?

In 2013, the panel of TFAM selected the curator Esther Lu’s project ‘This is not a Taiwan Pavilion’. This project included 2 international artists and 1 Taiwan artist. The curatorial strategy named after the meta-criticizing intention, aroused controversy and criticism from art circles. The art circle called for critical reflection on the policy’s participation mechanism and policy directions, and even asked to change the

responsible institution, TFAM. The then Minister of Culture, Lu Ying-tai, held a meeting to assemble directors of 3 main Taiwan public art museums to resolve the dispute. In the end, the meeting didn't make any concrete conclusions on policy directions, and the meeting was more like a consultation or discussion meeting.

In 2015, TFAM changed the participation mechanism. Rather than invite curators' proposals, the panel proposed a list of artists and invited them to participate in the competition. Compared to group exhibitions in the past, TFAM decided to hold solo exhibitions this year. The artist Wu Tien-chang, who has much standing in Taiwan art circles and exhibited at the Biennale in 1997, won the position. TFAM emphasized that the Palazzo delle Prigioni was a prison before (Prigioni in Italian means prison), and held the artist Wu's solo exhibition, "Never Say Goodbye." TFAM explained Wu's art works as follows:

Using mask-like artificial skin membrane, exaggerated and exotic images and a magical visual expression, Wu Tien-chang depicts the life of those in the lower echelons of Taiwanese society and the joys and sorrows of human life. Through spectacular light and sound performances, he evokes the unique spirit of the age and the peculiar mood in Taiwan during the era of post-war westernization [...]<sup>7</sup>

About the strategy of the Taiwan Pavilion this year, the director of TFAM, Lin Pin, explained in the "Homecoming Forum of Taiwan Pavilion in the 56<sup>th</sup> Venice Biennale": "First, our strategy to promote the artist is not to hold the life-long achievement awards. Second, promoting Wu has to be effective in terms of international strategy. Although from the macro perspective, Wu is not only a representative of Taiwan, he is very much equipped with unique Taiwan artistic and cultural characteristic [...]" (Huang, 2015) It seems that after the controversy in 2013, the discourse about the Taiwan Pavilion returned to emphasize performing Taiwan and Taiwanese semiotics. In this forum, TFAM also spent time discussing and reflecting on exhibition techniques. This reveals that the policy of the Taiwan Pavilion returned to emphasizing themes of identity. About the exhibition in 2017, TFAM announced it would hold a solo exhibition of the expatriate Taiwan artist, Hsieh The-ching, who has been famous for his self-sacrificing performing art in the United States since 1980s'. The curator is Hsieh's partner, also an independent curator, Adrian Heathfield. The way that TFAM deals with the Biennale in these two years is obviously quite different from previous years. This shows the emergence of a new stage of promoting Taiwan artists and performing Taiwan in the Biennale has begun.

#### (4) Brief summary of changing the Taiwan Pavilion

At first, the Taiwan Pavilion was regarded as a means of cultural diplomacy. In the middle 1990s', Taiwan popularly explored the trends of post-modernism, multiculturalism and nationalism. Radical strains of Localism and civil doctrine were rising (Kao, 2010: 51). From 1995 to 1999, most art works emphasized regional socio-political consciousness and cultural traits. In addition, the institutions desired to shape Taiwan's subjective culture in the international arena. In 2001 and 2003, there was political interference and global turns affecting the Taiwan Pavilion, with themes of exhibitions changed to common human subjects and including more expatriate artists. In 2005 and 2007, works in the exhibitions showed the peripheral existence of Taiwan and critical globalism (Wei, 2013). In 2009, under the policy of "Diplomatic Truce", TFAM proposed and held an "International Affairs" exhibition by itself. This reflected a strategic interaction with the prevailing political circumstances. In 2011, the exhibition started to use the audio art and addressed the voices of disadvantaged minorities in the era of globalization (Kao, 2011).

The biggest Biennale controversy, "This is not a Taiwan Pavilion," occurred in 2013. It revealed the limitations of public policy implementation: the global art themes in the Taiwan Pavilion are detached from Taiwan's local context; participation mechanisms that calls for curators' proposals might be problematic because of the uncertainty of curators' performance; the list of panel members repeats every year; the policy goal of the exhibition is unclear; the information of the competition process is not open; and conflict among

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<sup>7</sup>Retrieved from TFAM's website: [http://www.tfam.museum/Exhibition/Exhibition\\_page.aspx?ddlLang=en-us&id=531](http://www.tfam.museum/Exhibition/Exhibition_page.aspx?ddlLang=en-us&id=531)

TFAM, curators, artists and exhibition production units took place. Therefore, there was a turn in 2015: for the first time, TFAM held an artist's solo exhibition and worked with the artist and related production unit without any guest curators. In 2017, TFAM remains committed to the policy of one artist's solo exhibition but has added to the role of the curator.

From the observation of the artists, it can be seen that the numbers of artists has been reduced, and, in the end, the Taiwan Pavilion has become a solo exhibition; in 2001 and 2003, the exhibitions included more expatriate artists; group exhibitions constituted a combination of young artists and middle-aged artists. It was the strategy of TFAM to promote Taiwan artists in the international arena. From the changing processes of the Taiwan Pavilion, the changing content/identity and strategies can be observed. It is the art output of interaction among international politics, global art tastes, and the domestic Taiwanese socio-political circumstances that have coalesced to form this transformative evolution.

### **3. Synthesizing the tension between cultural diplomacy and arts**

#### **The inevitable politicization in the Taiwan Pavilion**

To discuss the Taiwan Pavilion, most Taiwan scholars use the "Taiwan Pavilion" ("Taiwan Pavilion" denominated in double quotes) because of the ambiguity of Taiwan's international identity. From 1995 to 1999, the Taiwan Pavilion did belong to the national pavilions section, but since 2003, the Taiwan Pavilion has become a collateral exhibition, and the participating title become the "Taipei Fine Arts Museum." The Taiwan Pavilion is not recognized as a real country in the international arena while it is viewed as a national art representative among its own citizens.

The Taiwan Pavilion was set up because the government endowed it strategic goals for cultural diplomacy. In the first stage, it was administered through interministerial cooperation. Lu (2013) argues, the "'Taiwan Pavilion', which is a representative of Taiwan, is used to call for Nationalism and shape Taiwan's imaginary community domestically. It is presented as a new country as Taiwan, expecting to be seen and known by the world."(2013:65) Lin (2010) also argues: "Due to the Pavilion's unclear status in the Biennale hierarchy, as well as issues relating to Taiwan's national identity and national unity, a certain degree of politicization in this exhibition is inevitable." In "Reading the 'Taiwan Pavilion' at the Venice Biennale", Lin (2010) indicates:

Early on, a flexible model for international relations was used, in which culture was a means of emphasizing Taiwan's existence. This was most apparent in those first three Taiwan Pavilions, which were officially recognized as the "Taiwan Pavilion" and emphasized the character of Taiwanese art [...] it is very difficult to interpret the implications of the first three Venice exhibitions as removed from politics and diplomacy. They were political statements with the flavor of an international statement of Taiwanese political identity, and none of the selected artworks, exhibition themes or catalog essays were able to avoid focusing on or explicating Taiwanese subjectivity, what Taiwan is, Taiwanese (art) history, and Taiwan's present situation (2010:80-81).

Although art museums should focus on the art profession, the Taiwan Pavilion cannot avoid political and public considerations. In 2013, the "This is not a Taiwan Pavilion" project aroused huge domestic debate and controversy. The debate mainly argued about the dilemma dealing with the "allocation of national resources" and "art independence" (Wu, 2013). The public debate brought about questions such as: "What is the Taiwan Pavilion?" and "What kind of biennials does Taiwan need?" Although this proposal "upended the concept of national representation at international biennials" and "ingeniously revealed in Taiwan's ambiguous status in international politics, more art professionals criticized it for sacrificing Taiwanese artists for the sake of being curatorially 'advanced'."(Wei, 2013, 470) Therefore, the Taiwan Pavilion is inevitably a display of public policy and is definitely reviewed and criticized by the public. Rather than being just an art event, it is an event with politicization and inevitable political overtones. I argue that the discussion about the Taiwan Pavilion cannot be limited to the exhibition aesthetics and art production. Comprehensive discussion of its



policy directions, resources allocations, and relationship with national cultural diplomacy is necessary.

### **Cultural diplomacy could reflect internal identity issues**

Anderson (2006) argues that the nation state is an imagined political community within which members have a shared cultural identity. In addition, the idea of a “cultural nation” is posited as an expansive imaginary community that transcends the nation’s territorial borders (Paschadilis 2009; Minnaert 2014). Through using the resources of history, language and culture in the process of becoming rather than being, identities are constituted within the social representation (Hall, 2013). To represent the national culture in international cultural policy, the government participates in writing the discourse of the identity of a cohesive community (Paschadilis, 2009). Although national identities become increasingly hard to sustain as unified and homogeneous entities due to global mobility and transnationalism, Paschadilis (2009) argues that the cultural display of external cultural policy, as an image constructed for others, is one of the last privileged instances where these identities retain their unity and solidity.

From the observation of the visual culture in the Taiwan Pavilion, the changing explanations of Taiwan’s subjectivity/identity can be seen. The Taiwan Pavilion is a reflection of domestic concerns and mainstream cultural policy. From 1995 to 1999, the cultural subjectivity of Taiwan was a main concern in Taiwan society. After the change in ruling party in 2000, Taiwan was under the pressure of an international diplomatic truce and the Taiwan Pavilion had to consider its exhibition strategy with more political concerns. Kao (2011) indicates that art in the Taiwan Pavilion can reflect tricky interactions of Taiwan’s visual culture and socio-political circumstances, though it is not an abstract of art history but reflects how “the regional responds to international art taste.” It is also interesting to find that some other nations in the Venice Biennale have similar internal and external socio-political interactions as the Taiwan Pavilion experienced. Garnsey (2016) studies South Africa’s participation in the 2013 Biennale and argues, “the Biennale provides a platform from which the country seeks to continue to heal its internal wounds while constructing itself as an archetype of political transition in order to share its experience with the international community, but also arguably to re-establish international recognition and capital.”

In Taiwan’s central government, cultural diplomacy mainly relies on MOC’s global outreach plan. In the module of cultural governance, professional institutions in different levels hold official international cultural exchanges, including local government and its secondary institutions, and other related ministries or councils. TFAM, as a secondary institution of the Taipei city government, is responsible for the international exhibition that is viewed as a national representative of all of the diverse and multicultural Taiwan. It is a kind of “non-rationalization of system” in a bureaucracy (Yeh, 2013). In the past 20 years, the influence of the government’s policy intentions for the Taiwan Pavilion has been decreasing. From 1995 to 1999, the Taiwan Pavilion can be viewed as an example of how the TFAM practiced the central government’s “cultural Taiwanization” policy, and complied with Taiwan’s international socio-economic context with the government actively developing cultural and public diplomacy initiatives. Afterwards, the art circles viewed TFAM’s operations in the Taiwan Pavilion as “interpreting the development of Taiwan art and arranging mainstream human resources in the art circles”(Yeh, 2013). However, the controversy around the exhibit named, “This is not a Taiwan Pavilion” in 2013, aroused the debate around the strategy, goals and intentions of public policy. When “representative” becomes the necessary consideration in government’s cultural governance, the “representative” has room to be explained. Thus, the national exhibition is inevitably influenced by political ideology. As to the depth of the influence of such political ideology, this question requires more deep and comprehensive research in the future.

### **Cultural diplomacy – the tricky balancing act between international politics and art**

In “Between Cultural Diplomacy and Cultural Socializing: From Declaring a National Aesthetic to Participating in Olympic-like Art Competitions,” Kao (2015) argues that for Fascism and Communalism, cultural diplomacy is the output of cultural policy and national aesthetics. While for the United States, it is international art marketing made by the nation’s hard power. The United States promoted Modern Art in the Venice Biennale in the 1950s’ by using diplomatic manipulation to influence international art tastes. In addition, since 2007, the Biennale organizer has actively set up contemporary African exhibitions. It is the Biennale’s cosmopolitan strategy to promote regional art in the international arena. This is not an act of nations’ cultural diplomacy but the emphasis on regional art exchanges (Kao, 2015). It can be seen from these highly different strategies that the Venice Biennale is an arena of international political and economic wrestling, and every country pursues its own different strategies and goals.

To think of the Taiwan Pavilion’s strategic goals, the policy is supposed to have core ideas since the Taiwan Pavilion is endowed with a clear mission of cultural diplomacy. The exhibition is not only an international art exhibition in the historic Palazzo delle Prigioni venue, but also as a means of cultural diplomacy. Taiwan government officials will participate in the opening party of the Taiwan Pavilion but do not create connections with the other participating cultural organizations. Only the artists engage in their own international networking. How then are we to think about the significance of the Taiwan Pavilion in macro perspective? TFAM already has professional exhibition techniques, but the discourse and strategy of the policy still needs to be developed in consistency and with correspondence to national cultural policy.

It is very important to emphasize that the quality of art works on display should be the most essential requirement of international exhibitions. Good performance of cultural diplomacy relies on excellent artists. For institutions with art professionals, avoiding suggestions of cultural propaganda is very important (Kao, 2015, p.78). However, to discuss the Taiwan Pavilion’s strategy one cannot avoid its political nature since it is related to cultural diplomacy. The curatorial idea of presenting “Asia as Imagination” for the Taiwan Pavilion was once proposed (Wang, 2013). The themes and curatorial strategy were actually related to Taiwan’s self-positioning. Besides, the point of view that the central government should be in charge of the Taiwan Pavilion has been proposed because the exhibition is concerned with national representation and diplomacy (Yeh, 2013). Therefore, to reflect on the Taiwan Pavilion with the perspective of cultural diplomacy and political semiotics is important. I argue that the development of the Taiwan Pavilion requires consideration of the identity of cultural policy. Unless there is a clear discourse in cultural policy, issues of the Taiwan Pavilion will still be limited within the discussion of exhibition techniques and participation mechanisms.

### **Conclusion**

Reviewing the literature on the Taiwan Pavilion, the discussion is mostly around aesthetics, curatorial strategies, and artist participation mechanisms. The discussions from the perspective of cultural policy are relatively few. The reason for this might be that most artists’ are concerned with avoiding political interference with their art. However, despite artists’ insistence on art independence, their debate around the Taiwan Pavilion is always more than art. The typical question in cultural policy -- the quest as to “what kind of Taiwan Pavilion does Taiwan need” always exists. TFAM, as a public institution in the city government, cannot ignore the consideration of Taiwan’s international status and the Taiwanese citizenry’s perception while making their decisions. However, due to the lack of resource integration and planning in cultural diplomacy, the Taiwan Pavilion is usually regarded as the museum’s annual exhibition work by the other relevant government units. The most concerned stakeholders affected by the exhibition are Taiwan’s art circles, and they tend to focus on discussing about the art performance. However, in the exhibition venue, Taiwanese officials show up and care much about the media reportage as an achievement. It has been tricky

for the Taiwan Pavilion is regarded as a means of cultural diplomacy in reality, but without the idea of diplomacy in its' implementation process. After observing the changing Taiwan Pavilion, I argue that the government's diplomacy strategy is important for the exhibitions. Synthesizing the idea of diplomacy and artist promotion can help the exhibition to develop greater consistency and effectiveness in exhibiting strategy on the world cultural diplomacy stage. It is also obvious that, in current governance structure, MOC will be the main responsible central government unit but inter-ministerial cooperation is also crucial for success.

From the observation of its development, the explanation of TFAM's strategy for the Taiwan Pavilion is also important. For every public policy, effective communication between the government and people is important but difficult. It is not easy to see any clear strategy and statement from TFAM to the Taiwanese people. As a public institution, TFAM plays a role as the exhibition sponsor and commissioner but seeks to avoid the criticism of the art circles regarding its political interference and manipulation. The debate around equitable participation mechanisms and cooperation with guest curators/artists/teamwork seems to always repeat itself. So, it can be seen that explanation and communication between the public authorities and the public still needs to be improved to ensure the Taiwan Pavilion semiotics are robustly representative of Taiwan's democratic and multicultural society.

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# From cultural diversity to cultural diplomacy: The practice of normative power Europe

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## **Abstract**

This paper aims to explore that the EU and Member State (UK) converges on cultural diplomacy to constitute an influential European external relations. It will address the development of EU cultural diplomacy and practice at Member state level. It also discusses the EU and Member States suffering in cultural resource overlapped. In contrast to the literature on the EU external relations, studies of the cultural dimension are rare. Thus, this paper will utilise the broad policy papers to explore how the cultural diversity among Member States and the EU has a constructive progress at European level but not at Member State level.

Keywords: EU cultural diplomacy, cultural policy, cultural diversity, EU external relations

## **Introduction**

Since the outbreak of EU debt crisis in 2009, the internal division of the European Union (EU) caused stagnation of its external relations. Attempting to play a global role, wish to spread the values and norms of European politics, economy, culture, etc. to the world thus faced many challenges. Cultural diplomacy is the most important tool of external relations right now. EU cultural policy has promoted the establishment of internal EU identity, boosting the integration of politics, economy, and culture of EU and the Member States. While to the outside, the spread of EU has the purpose of promoting economic growth. As for cultural diplomacy, it uses culture as methods and depth to achieve further political and economic cooperation. Cultural diplomacy is not new. In fact, since ancient times, cultural promotion was used as a method to achieve diplomatic purposes. However, to the EU, this is a new challenge. What is EU's culture? While the problem lies not only concerning which country represent the culture of EU, but also the Member States has already started promoting their own cultural diplomacy. While the EU was started its cultural diplomacy in 2007, it should coordinate with the Member States in order to avoid waste and conflict still poses as a challenge.

For a long time, International Relations does not see cultural diplomacy as a field of importance. In general, this is due to the lack of clear practice, thus becoming the importance of this study. From the semantic analysis of cultural diplomacy, Lending discovered that each country uses different terminology to show the difference in the cultures (Lending, 2000). In academic terms, Fox found it difficult to define the definition of cultural diplomacy: should it focus on foreign affairs or culture (Fox, 1999)? In short, the scholars have no unanimous opinion, whether it is on objectives or policies and practices. Furthermore, Fox believes that cultural diplomacy is another term for public diplomacy. But there are also other scholars who further clarified that cultural diplomacy is not public diplomacy because public diplomacy includes the exchange of people's views (Cull, 1999). For example, the Berlin performance at the Taiwan National Symphony can be seen has both cultural diplomacy and public diplomacy. In addition, there are other scholars who define it as international cultural relations or foreign cultural mission (Mulcahy, 1999).

Facing the difficult of precisely defining the definition of cultural diplomacy, this study does not attempt to end the debate as to what cultural diplomacy really is. Instead, the study question focuses on the effort and the

challenges encountered by EU and Member States regarding cultural diplomacy. Therefore, using Milton C. Cummings's definition, cultural diplomacy is the exchange of ideas, information, values, systems, traditions, beliefs, and culture, which is intended to promote mutual understanding (Cummings, 2003). Therefore, this article defines cultural diplomacy as the exchange of ideas, messages, art, and other aspects of culture between countries, promoting mutual understanding between the two parties. In short, cultural diplomacy actors specifically refer to the European institutions with 28 Member States, with its connotations of cultural means. In short-term period achieving the goal of promoting the economic growth in EU. In mid-term, it aims to win the acceptance of non-EU countries. In the long-run, it aims to become a true normative power. Now the meaning of cultural diplomacy is clear, the path to completion is through the practice of EU cultural policy. On May 10, 2007, the European Commission proposed a "Globalizing European Culture Agenda", where the Board begun to show interest in cultural issues starting from the 21st century (Commission of the European Communities 2007). In the report, EU admits that in the 1990s, it was limited to the 129 Maastricht Article (in 1997 the Treaty of Amsterdam was modified to Article 151). In order for the Member States to secure their cultural uniqueness, they are responsible for most of the cultural promotion work, rather than have the European Commission be in charge. Moreover, the Member States also benefits from subsidy, thus greatly restricts the EU institutions engaged in fields of external relations. The promoting units are not only complex, between the EU and Member States or between Member States, there will not be a coverage effect. Thus facing the challenge of coordinating the two level targets. The problem derived from this section is the focus of this paper on the fragmentation of EU's cultural diplomacy.

## **1. Literature Review**

This study of the analyzing the EU's official documents went on over the years. Through analyzing the previous public hearing report of Education and Culture Committee of the European Parliament, it was found that the current academic focus is not on the key issues of cultural diplomacy in Europe. On the contrary, in order to protect each Member States' cultural diversity, it can be challenging to promote a cultural diplomacy on the European level while the current numbers of Member States in the EU and in its policies are being tested. Based on this, this paper aims to explore the interaction between the EU and the Member States on two levels. Using the British cultural diplomacy as an example to explain how Member States in the EU's cultural foreign policy came out with the Member States and the EU still overriding on.

The richness and diversity of European culture has their firm's role in the global impact. The EU has always been regarded as a strong power through trade and economic integration. However, this process also formed a considerable effect of social and cultural integration policies, and gradually affects the EU's external relations and foreign policy. Concrete results are the EU's academic and political circles, which began to make the EU normative power. It highlights the EU efforts to achieve progress in the social and cultural fields using soft strength so that the other countries accept the institutions and power of EU. At the same time, through the development of foreign relations, it creates substantial influence in other countries (Manners, 2002). Thus, in the EU's external relations, the EU is a normative power, while the economy and cultural diplomacy act as policy tools.

The cultural diplomacy explored in this study is defined by the official diplomatic affairs. Therefore, the EU's official documents, including the EU institutions and Member States report on their cultural policies and culture became the focus of this study. EU's cultural diplomacy, relative to its Member States' promotion of cultural diplomacy, seems to be behind the Member States. As late as May 10, 2007, the Commission of the European Communities submitted its first report to the communication of the European Parliament, the Council, the European Economic and Social Committee on a European agenda for culture in a globalizing world (Commission of the European Communities, 2007). Through analyzing official EU's efforts on cultural diplomacy, evaluating the Brussels views on various capitals' practices, and documenting all the meetings of

the Board of Education Culture and recording and reporting of the European Parliament, one can realize the challenge faced by the current official promotion of cultural diplomacy.

Just as discussed in the European Commission communication documents, ever since the creation of Coal and Steel Community in 1952, the great success of the EU can be attributed to its respect for the diversity of Member States and its intertwined history, language and culture. This basis allows it to build consensus and maintain peace, stability and prosperity, creating the EU's basic objective. Through EU's determination to comply with the law, the 540 million EU citizens became forces of the EU.

From analyzing the resolution text in the 2007 cultural agenda of the European Council, the following defines the EU's foreign policy objectives culture (Council of the European Union, 2008):

1, To promote cultural diplomacy and the development of cultural relations; 2, State support the exportation of cultural and creative industries products; 3, Support the development of new trade agreements; 4, Attracting foreign tourists and foreign investment; 5, Strengthening the assistance programs for developing countries; 6 Creating a good image of EU to foreign countries. Overall, in addition to 1, 2 and 4 which one can clearly see the cultural elements, and the 3 is using culture as essence. It packs the spirit of free trade, and use international legal agreements as a method to support the EU and other economies to sign new trade agreement. 5 Is in response to criticism of the EU external assistance programs. It is also using that cultural exchange as essence, creating flexible cooperation of art, music, education and so on, making the EU aid policy a more sustainable development. Overall, the culture is the method, the economy is the goal, but the means of implementation reached the Member States with the purpose as the execution units.

Through the report of the European Parliament Committee on Culture and Education, one can find the lack of coordination between the EU and the Member States on cultural diplomacy and policy in the current EU Member States. This also results in a fragmentation on the culture of cooperation between Member States, which is also present in various departments EU and Member States.

The integration of cultural policies is not an easy job, especially in the cultural foreign affairs. Not only in the Member States, even among the various EU departments and agencies, disputes are common often because of selfishness. Such lack of common strategy would naturally result in inefficiency in the cultural resources and budgets. Therefore in the Schaake Report, it advices on the evaluation by the Board to develop a sound policies and actions to bring together (rather than integration) a common strategy. The European Parliament quickly adopted the resolutions in this report. According to the fragmented condition of the European cultural diplomacy, the efficient useage of cultural resources should develop into strategy for the EU's external relations.

A more concrete method would be to establish coordination in the newly established European External Action Service (EEAS) and the Executive Committee on foreign policy in the cultural level, so that the cultural diplomacy has systematic and continuous partnerships. This can create a complementary effect on the cultural policy formation between EU's external relations with Member States (Committee on Culture and Education, 2010). However, through analyzing EEAS, its jurisdiction is not specifically in charge of the cultural affairs, even EEAS's policy objectives rarely have the goal of cultural diplomacy. Therefore, the cultural diplomacy work between the EU institutions has just begun.

## **2. The Normative Approach of EU's External Relations**

The achievement by the cooperation between EU and the Member States has been a symbol of normative power. Starting from the Coal and Steel Community, this organization created for peace is expanding prosperously with the economic and political cooperation. As we all know, the evolution of the EU has not been easy. Every dispute relies on the European culture playing the lubricant, allowing every country to understand that European community is also a community of destiny. Accepting the diversity of European culture is the principle of the EU integration (Bennett, 2001). The twenty-first century Europe has a lively and

vibrant cultural exchange. Since the commitment in the first Brussels Treaty to the new Lisbon Treaty, the EU Member States has largely promoted the cultural exchange as well as dialogues across the borders. With the increasing demand for cultural activities and cultural products, the evolution of communications technology has a beneficial effect. EU uses culture and norm as vehicle to integrate the differences between the Member States and produce consensus, which serves as an indicator for the EU to promote external relations. Cultural exchange can reduce the conflicts and misunderstandings between Member States and also promote EU and its partners to recognize common interest. Once again, it reduces misunderstanding and miscalculation; promote understanding and interaction between regions, achieving the purpose of cultural diplomacy.

The importance of culture is self-evident and it can be viewed in multiple ways. As published by UNESCO, culture is a dream and kindness that every one wants to promote. However, culture needs a conflicting agreement. That is, diversity must be the principle of a harmonious and rich culture. Diversity leads to the pursue of different interests and thus it should be divisive. As technology and internet around the world continue to globalize, it allows an increase of the cultural exchange around the world. This promotes the countries to benefit from other cultures, and also promotes their residents to understand and tolerate the racial difference and the benefits it brings. The example EU brought to the people created peace and prosperity. Shaping the 21<sup>st</sup> century EU cultural diplomacy. What this paper attempts to explore is with as many as 28 EU Member States, the rich culture provide a special environment for EU's cultural development. It also inevitably produced its own original diplomatic relations. In turn, it generated a demand for integration, but if not integrated, it can only respect its diverseness to reduce conflict.

Despite the existence of conflicts, the EU is still using the method of a roof with three pillars, bringing together the approval of many different countries (Joan & Kapteyn, 2008). Through the political and economic integration of one single market's politics, Europe will continue to expand its trade and economic benefits. If the EU is viewed as a supranational organization, it is becoming the world's largest economy, and at the same time, its influence on international affairs is continuing to rise. However, in the absence of strong military power, cultural exchanges and trade promotion have to be utilized simultaneously in order to fully demonstrate soft power. On the other hand, 28 Member States are from different cultures. How the European culture should collectively be address is a difficult process, or it is even an impossible task. Therefore, Habermas argues that the European countries and nation-states are too passionate in the identity and cultural protection (Vivienne, 2007).

When EU's overall economic performance is superior, the cultural differences will makes one feel the richness of culture. However, the EU faces the negative impact of European debt crisis and the capricious global trade, which turn out to be the source of disagreement. The honest and hard-working German taxpayers are not willing to save the lazy, tax-evading Greeks is not due to the cultural difference. A large amount of the Germans said, "Why do I have to use money for others?" While the Greek intellectuals questioned, "Germans took away the benefits of European integration but are unwilling to return the favor."

Due to the European debt crisis, the EU's external relations were negatively affected by the economic downturn. Thus, the objectives of the foreign policies must be adjusted to focus on economic and trade negotiations so the European products can increase exports through free trade agreements. At the same time, that culture plays a soft media through a more civilized implication. Countries around the world love the European culture's art, music, architecture, literature, even education, which can better focus on each product's cultural creativity, enhancing the overall volume of EU's trade.

Furthermore, the EU cultural policy has two aspects to their work first, to promote national integration, increasing the flexibility between Member States. Because of European citizen's common recognition towards European culture, it has a positive effect towards the EU, who is moving towards shaping a high political meaning (Field). However, paradoxically, Member's state citizens agreement to a common European



culture therefore making them easier to receive political and economical integration, but also gradually blur the unique and distinctive national culture. This phenomenon is indicative of the conflict EU and its Member States have regarding cultural policy and diplomacy. The second is the EU's external relations; through the cultural exchange, other countries generated a sense of yearning towards the European culture, which benefitted the EU members both directly and indirectly. However, this economic benefit helps only a few of the large EU countries, or does it distribute evenly in all the 28 State Members? Therefore, the EU cultural diplomacy must be careful since EU's representation and big country attraction are greater than little countries cause the culture of small countries to be left out, resulting in foreign diplomacy challenges for the Member States (European parliament, 2010).

Based on this study, the EU cultural diplomacy and Member States cultural diplomacy is conflicting, so this paper must clearly define it. The culture mentioned in this paper is in accordance to Edward Tylor's definition, that is, culture is a complex topic (Tylor, 1871). It includes knowledge, belief, art, morals, laws, custom, as well as the talents and habits obtained as a member of a society. As for diplomacy, according to Oxford dictionary, it is the representative of a country on professional, activities, and talents to manage a country's international relations. Therefore, when attempting to use culture to achieve diplomatic purposes, cultural diplomacy often appears in forms of cultural activities exchange. For example, Taiwan's European center in Taiwan actively promote European art which allows the Taiwanese people to deeply understand and love the art in Europe, resulting yearning for European civilization, Moreover, they're willing to accept European values and norms, which can be seen as European culture diplomatic success.

The use of EU cultural diplomacy rather than Europe cultural diplomacy to explain EU's external cultural relations is because EU represents a political organization with international position. And under many circumstances, Europe represents a geographical meaning, rather than a real concept. It is similar to the difficult to define Asian cultural diplomacy. However, the difficult part is the important countries in Europe such as Switzerland and Norway are non-EU countries. Therefore, Europe must include the culture of those two countries, but it is difficult to remove the cultural element from EU's cultural diplomacy Furthermore, how did the individual culture of the Member States obtain a part I the EU's cultural policy? European culture is based on its cultural diversity, and the cultural diplomacy representatives are in the hands of each individual of the Member States. It includes United Kingdom, Germany, Greece, whom promoted their own cultural activities and exchange, which can be seen as a display of EU's cultural diplomacy.

Going back to the success of EU in the last fifty years, the hatred against war and the longing for prosperity and peace are strong incentives. If Europe does not have a common history, religion, art, and music etc., most scholars would agree that it would have been difficult for the joint efforts of EU to obtain their achievements today. Therefore, during the global promotion of EU values, we must think about the benefits of cultural diplomacy. European elites attempt to use the United States as a learning example during the Cold War by putting in and effort to promote arts, academic and cultural exchanges between the countries of Western Europe. There is only one purpose to win the hearts of European people (Gienow-Hecht & Donfried, 2010). Although with the impact of the Suez Crisis or the global War on Terror, the United States seems to have lost the love from the Europeans. But one thing is undeniable: if the United States still has an ally on the international scale, it will still be the EU.

### **3. EU's Cultural diversity**

The most important feature of European culture is undoubtedly its "diversity," as the word appeared as much as 31 times in the cultural agenda of the European Commission. Because without diversity, the attempt to fuse a large and rich culture would only be a concept of the European culture. It also cannot infringe on the national culture of Member States, making the respect for cultural diversity a key EU communication strategy. Therefore, the EU does not attempt to be the integration of cultural diversity; rather it emphasized

the respect to a variety of different cultural and linguistic diversity. In culture and language, where populations and economic power are in a weak spot, this prevents being taken over by stronger language and culture. Only with this attitude and practice can the EU allow the strong and the weak to co-exist, and then talk about the European cultural diplomacy would be made possible.

Therefore, cultural diplomacy needs to make culture as an approach to reach foreign policy purposes. Culture diplomacy can be a means and an objective, because the bilateral cultural exchange brought understanding and mutual trust, to a large extent acts as a seed of political and economic relations. However, cultural diplomacy does not cultural exchanges between countries because the former has a clear national mandate by the government to perform a diplomat, in order to gain more national interests; latter may be civil interaction. Although the latter can facilitate or promote the success of the former task, but the two still has to be distinguished (Arndt, 2006). Only cultural diplomacies directed by an official can work toward objectives and create evaluated results.

With specific policies and actions, financial resources are naturally a burden to the European cultural diplomacy. With the increasing attention on cultural diplomacy, the EU's budget compared to the Member States is quite low. On a six-year budget (2008-2014), the EU budget less than a third of France cultural diplomacy budget. The 2014-2020 EU's cultural budget is \$ 1.6 billion (European Commission, 2014), which is even lower than the per capita value of less than one euro a year. That is accounted for 0.16% of the entire EU budget; the growth rate in 15 years is only 0.003%.

In the face of cultural diversity in 28 Member States, the world "integration" will not only lose the support of European citizens, but also lead to concerning the uniqueness of their own culture preservation. Therefore, having respect for the diversity and dialogue across cultural barriers can represent the spiritual nature of the EU's external relations. Thus, in November 2008, the Member States accepted the resolution proposed by the European Council, which promotes culture-to-culture dialogue between EU's external relations as a strategy (Council of the European Union, 2008). In fact, the cultural cooperation among the Member States depends on the EU institutions to assume the role as the engine, which promotes the culture-to-culture dialogue mentioned above. Through the Europeanization process and it then become part of the EU's foreign policy (Bulmer & Radaelli, 2004). For example, the Maastricht Treaty requires the pursuit of peace and security and promoting international cooperation against international crime, and the development of democracy and the rule of law, respect for human rights and fundamental freedoms, support economic and social development of both (Article J.1) policy (Treaty of Lisbon, 2007) these values have become the basic spirit of the EU's foreign (Bickerton, 2011).

Ideally, Member States' diplomatic experience can potentially create cultural synergies, which can achieve complementary effects in the production of cultural diplomacy in international affairs on joint cultural activities carried out with the EU. In practice, in 2010 the European Parliament hosted by the European Commission, Mr. Holland Marietje Schaake, he specifically states: "The current lack of a coherent and coordinated EU external policy culture is a necessity to maintain the attractiveness of Europe in the globally connected world under harsh competitive environment. " (European Parliament, 2010). The problem Schaake pointed out directly is the problem came up between the EU level and Member States level during their cultural policy coordination. The next section will have analysis on this topic.

#### **4. The Coordination and Challenges of the EU and the British Foreign Policy**

The spirit of the EU is quite important, since it is the secret of its success, which is the respect for the difference among Member States as well as to understand everyone's tangled history, language and culture. Not only creating a community of destiny in time, but also to ensuring the security, stability and prosperity of Europe. For centuries, the nation is plagued by the multi-ethnic issues, such as the existence of Kurdish territory in Turkey, French Quarter problem in Canada; the EU's integration naturally faces the same problem

like. Thus, European identity was created through cultural policy, which became a model internationally. This model, in essence, is important because EU as a new organic whole, rather than just a gathering of the 28 Member States. Otherwise, it would be no different from other regional League of Nations. Therefore, the EU must attempt to strike a balance between the various national Member States. On the work of cultural diplomacy, the use of financial subsidies to make the Member States who are economically weaker to participate in the work of European cultural diplomacy abroad. With strategies like these, the EU would allow the Member States to realize that they are in a united community (Dodd et al., 2012).

However, the ideal practice would be definitely face the difficult challenges of reality. Because without the challenges, the European civilization and culture would have reached refinement through their ancient history. And it would be visible in the Member States, where their own unique culture and long tradition would have evolved. Now EU proposes a new cultural diplomacy to bring each other together. Naturally, this would cause some concern among Member States on whether their country's culture would make a compromise to obtain an advantage that can harm itself. Thus, the EU must be based on broad common interests and strengthen its coordination, balancing both large and small differences between EU and Member States.

In fact, this is prompted by the EU with 28 Member States, the individual's state's trade ability has huge differences. One can imagine that EU countries will often enjoy their cultural superiority, brought out a cultural issue on whether the EU will be dominated by the great powers of Europe to form a traditional melting pot, which inevitably make the smaller countries invisible. Therefore, the EU's cultural policy and diplomacy is slow relative to many other areas of policy. Finally, in 2007, under the non-profit organization "Culture Action Europe," cultural leaders and politicians in Europe, for the first time, are willing to cooperate with the Board on cultural affairs in a more forward-looking view. Together they enshrined intercultural dialogue by cultural diversity, cultural and creative industries as a catalyst, and culture as a key element of international relations. The description of this text, illustrates that the EU will use culture as means of strategy and basis. To resolve the concern on the smaller countries within the EU Member States, stressing that the EU is for all Member States, rather than winner-take-all.

Targeting the differences in strength between Member States, the EU needs a "soft" policy tool to form a consensus among Member States (Tuomioja, 2009). Specifically, this policy tool is not to establish a new division of the European cultural diplomacy. Doing so will not only be resisted by Member States, but also result in crowding out other budget expenditures. Since it is a flexible policy tool, then the formation and development of the policies must be more in line with the needs of Member States. Therefore, it does not result in the case where Member States have to be forced into accepting the situation. In other words, in order to respond to the development of cultural policies and EU diplomacy, Member States' cultural diplomacy will go from the original European Allies of cultural diplomacy to being more focused on other non-EU countries. Because when the Member States in the EU achieve higher cultural identity with each other, the Member States would not need to put resources in the EU. Instead, when need to promote its culture to foreign countries in EU, they must first gain an advantage of walking in front of the European Union. Therefore, when EU needs to promote European culture in a third country, non-EU country has already received its specific cultural communication by Member States. Thus rendering the economic benefits of the two sides. Therefore, when the EU and individual Member States are actively promoting its cultural relations and foreign policies, it will highlight the powerlessness of smaller EU Member States (Serodes, 2011).

Not only in the EU relations with its neighboring countries, other external relations will also often reflects the national interests of individual countries, particularly manifested in cultural diplomacy of Member States' official activities (Tuomioja, 2009). For example, when the cultural sector is the actively developing cultural diplomacy with China or India, is it reflecting cultural or diplomacy interest? And when diplomatic interests are involved, the EU can have a uniform policy, which the individual Member States would all have very

different thinking. For example, the British want to vigorously expand cultural relations with the British Commonwealth, while the French focus on Mediterranean countries, not to mention the EU's preference to start cultural exchanges with China and India (Bouquerel and Husseiny, 2009). Therefore, since the mid-1990s, the Council of Europe's Culture Commission, began to call on the European level will have financial consequences. Moreover, it can also cause the opposition of civil servants to any proposal, because they are afraid of the possible lost of British cultural specialists (Fisher, 2008).

During the promotion of EU cultural diplomacy, there are often conflicts caused by the discrepancy on the Member States' agreement of EU. Despite the EU's effort to repeatedly call for respect for cultural diversity, it seems to be useless when the Member States do not cooperate themselves. Therefore, the calls for a common culture and a value system rise after another. History shows that each of the EU Member States' their culture and nation represent the fruits of life and survival. When establishing a common culture and value system, it is difficult to attempt to decrease the cultural difference while trying to respect each culture's diversity. And to create a culture or a society built on the basic commonality of basic core values, which is the EU cultural policy conflicts, faces difficulties and challenges.

There are more challenges such as the shortfall of the EU cultural diplomacy budget. This situation is only dependent on the state budget of Member State. However, due to the EU cultural policy, each country has to make adjustments on its own cultural diplomacy. When the European Commission launched in 2007, the British Council has announced changes in the nature of providing its services in the field of culture in Europe. For example, the British Council office in the EU reduced its funding by £ 2 billion. Meanwhile, the London based in Austria, and the new member states such as Hungary, Slovenia, Lithuania, Slovakia, Latvia and Estonia offices were closed (Serodes, 2011). Not only England, the French and German government also made similar changes. In other words, in response to the EU's cultural budget situation, the Member States also cut down the cultural exchange work in other EU countries.

Going in depth, one important factor is that the cultural diplomacy is still mainly driven by Member States, and the Council of the European Union, which happens every 6 months between Member states under the presidency system. It increased the differences between cultural diplomacy at the EU level and the Member State level. The Member States Presidency put all the resources on building their own image in the EU, followed by marketing itself, rather than the EU. Originally, a unified cultural diplomacy was desired, but the policies have led to the reduced cultural cooperation between Member States (Keeling, 2006). This lack of coordination between the EU and the Member States form a challenge to the EU cultural diplomacy, which were revealed in the promotion of higher education in non-EU countries (Jones, 2009-2010).

Regarding some Member States' concerns, the EU acts as a national spokesperson on culture for each country, shaping the main cultural identity and is being acknowledged by European countries. This actually involves whether using culture as a means to be accepted by Member States. It is also an EU policy targeting its internal doings. In this context, some of the non-profit organization promoting cultural exchanges should come into being. For example, the European Union National Institutes for Culture (EUNIC) aims to create effective partnerships and networks (Branea & Moreadith, 2012), and to promote cultural diversity and understanding between European societies and strengthen international and non-EU countries dialogue and cooperation, as well as ways to promote peace and cultural exchanges to establish Third World countries (Mader, 2013). Additionally, there is a "more European" initiative, which uses the European Cultural Foundation has the main body to appeal to foreign relations. This initiative combines ten cultural workers and government officials, prompting the external relations to allow culture to play a more important role. Inevitably, more cooperation on the EU this level, and combining the efforts of Member States, are the targets of the EU's 2007 cultural agenda.

## **Conclusion**

This research explores the challenges faced by the EU and the Member States on cultural diplomacy. It is discovered that EU's success lies not only in the achievement on the political and economic integration, but also in the various EU Member States leaving behind their difference, willing to lay down the history of the feud across cultural barriers and remove boundaries of national sovereignty to become the greatest regional and international alliances in human history. Such the EU must be able to protect the common and individual culture, respect the language diversity within the EU. The smaller countries cannot assimilate their language with larger countries of the Member States because their country is smaller and the economic output is poor. Therefore, the EU is actively promoting the establishment of culture trust and seeks to convey a community of European model and the external value.

During the process of collecting EU's cultural diplomacy, there needs to be a clear legal protection. In 1991 of December 10, or the EU who were known as European Community, gathered in the Netherlands Maas Maastricht City and signed the Maastricht Treaty with only 12 countries. The EU Member States resolution will promote cultural cooperation between Member States and third countries with appropriate international organizations. Taking into account the conflict that could happen between signing the treaty and each Member States' national interest, the Member States will usually give priority to its own national interests. Maastricht Treaty has given legitimacy to European Union on cultural matters, but it must be in line with the action of Member States (Ivey, 2005). The Treaty on the Functioning of the European Union Section 167 states that cultural cooperation and promoting European culture is a core element of its foreign policy culture (the Treaty on European Union, 2007).

Article 151 of the EC Treaty explicitly stated that the Community cultural action should be brought out by innovative methods proposed by the Board. However, in the fifth paragraph, it limited the incentive proposal and stated that it must return to the consent of all Member States. The domestic cultural coordination at the Community level of regulation is prohibited. Worse still, the requirement for a consensus decision has generated measures taken to address the role of inhibiting the formation of the Executive Committee. It makes the Member States who want to have positive individual cultural diplomatic action to produce conflicts (Smith, 2004).

Despite the second paragraph of Article 151 stating that the EU should use make encouraging the cooperation between Member States as goal. Especially in the promotion of European culture, history, art literature, and other innovative ideas are specifically stated in the cultural agenda of the Board 2007. However, the use of English as the main international language has given the British a great advantage. Compared to other Member States they can more effectively promote cultural diplomacy, which caused other Member States to protest (Smith, 2004). In this case, The Treaty on the Functioning of the European Union Section 167 would solve protest echoed the demand. Cultural cooperation and promoting the flow of culture can be seen as a core element of the EU's external cultural policy, using the cooperation between the EU and the Member States as a cultural diplomatic prerequisite. From this perspective, the EU cultural diplomacy not only possess consensus among Member States, it also uses legal provisions to increase safety. But if the work of the European Commission's cultural diplomacy wants to be regarded with democratic legitimacy, it must be brought together in a manner that is consistent with national interests.

Despite having EU laws as a cornerstone that makes common European culture the support, one of EU's biggest challenges is to need to balance between maintaining Member State's cultural identity of the nation state, in order to embrace the idea of forming the common European values and belief. Only in this way, the EU can promote its cultural foreign policy, at the same time, put in efforts for regional political identity without jeopardizing national and regional identity. As the EU continue to extend its external roots, the EU political elite must understand that this is not the creation of a nation-state, nor is it to lead the EU to become a super-state, but a unique institution in which it adds value to the lives of the EU citizens (Alexander, 2005).

Lastly, as the EU economic crisis subsides, this study will focus on the hard-hit Member States of the southern European countries as the key to the next step of the EU cultural foreign policy, discuss the economic crisis, and start a long term examination on whether there would be a big impact of southern European countries cultural diplomacy towards the EU.

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# Quality of life as event legacy: An evaluation of Liverpool as the 2008 European Capital of Culture

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## **Abstract**

Improving residents' quality of life (QoL) of is one main consideration for cities to host major events. Also, event legacy has been emerging as a key outcome associated with the hosting of an event. Based on a case study of Liverpool as the 2008 European Capital of Culture (ECOC), the aim of this study is to assess the legacy outcomes perceived by residents that benefit their QoL. Methodologically, this study is based on a combination of primary and secondary data. Data were collected from telephone survey from 592 residents of four areas representing geographical and demographical variations of Liverpool's population. The results indicate that the most highly perceived benefits were image / identity and cultural legacies. However, respondents were less likely to perceive the legacy of economic and tourism development on their QoL. The location of community and the attendance at the ECOC events were the main variables of differences in most legacy outcomes. Overall, the results suggest that intangible impacts could relate more to people's satisfaction with QoL and event support. The study underlines also the importance of legacy planning as a holistic programme from the early stages of event process.

Keywords: Quality of life; Event legacy; Cultural event; European Capital of Culture; Liverpool

## **Introduction**

Nowadays, strong competition exists between cities to host major events. Among several reasons why cities bid against each other to host major events, an improvement of the host community's quality of life (subsequently referred to as QoL) is a main consideration. Local residents in the host city are not only the key audience but also the cores of event's sustainability (Edizel, 2014). Richards and Palmer (2010) argued that the overall aim of staging events should be to improve the QoL for all stakeholders involved. They said: "if events can ensure that all residents can have their cultural needs met in an equitable way while improving residents' sense of belonging, then they should contribute to QoL and be socially sustainable" (p. 401). However, too often, the host cities focused most of their efforts on funding of events, with too little attention given to assess the impacts of event on residents' QoL. In the academic field, while the topic of resident attitudes and perceptions toward event impacts has been adequately researched, there is a lack of empirical evaluation with respect to the impact of events on QoL (Kaplanidou et al., 2015). Additionally, the evaluation of event outcomes may not be static but rather dynamic, whereby residents' evaluations change with the advent of time (Kaplanidou et al., 2013). Therefore, examining how event influence QoL and in turn how QoL influences resident support for the event is needed.

On the other hand, event legacy has been emerging as a key concept for bid and organising committees of major events and is generally tied to the outcomes associated with the hosting of an event (Veal et al., 2012). According to Gratton and Preuss (2008), there are three reasons that legacy of event is getting more important for the host cities. First, a positive legacy provides evidence to win local support. Second, it justifies the use of scarce public resources for a temporary event. Third, a positive legacy motivates other cities to bid for future events. On the other hand, in the academic field, there was also a paradigm shift - from

pure event impacts studies towards the evaluation of legacy and sustainability dimensions of events. For instance, Edizel (2014) argued that sustainable development and legacy planning have become core components of event regeneration policies since the beginning of the 2000s. Although there is a growing literature on the impacts of major events, few studies focus specifically on legacy and its effects on residents' QoL. Although some studies (e.g. Balduck et al. 2011; Kaplanidou 2012; Kaplanidou et al. 2013) have linked sport events to the improvement of QoL, the articulation between cultural event and its wider QoL effects is not well researched.

Based on a case study of Liverpool as the 2008 European Capital of Culture (subsequently referred to as ECOC), this paper aims at exploring the perceptions of residents regarding the legacy outcomes for their QoL. The ECOC is an initiative launched by the European Union in 1985, with the title awarded every year and on a rotating basis to respective EU member states. Since then, more than 40 cities have been designated as the ECOC and Extensive research has been conducted exploring the immediate impacts of hosting the ECOC events. However, in the early stages of the ECOC programme, practical plans for legacy beyond the year itself were not widespread (García and Cox, 2013). With the introduction of Decision 1622/2006/EC in 2009, the EU started to place significant emphasis on the need for 'sustainability', namely the ECOC should be programmed in a farsighted way that it spawns long-term effect (Gomes and Libro-Cano, 2014). It has also led to some examples of strategic legacy planning. In this context, there is therefore a research gap in identifying the articulation between ECOC and its wider and longer-term QoL effects. The aim of this study is to assess the legacy outcomes perceived by residents that benefit their QoL. The following section will provide a review of the literature on the notions of event legacy and QoL, as well as their articulations. Methodologically, this study offers a semi-longitudinal perspective, and is based on a combination of primary and secondary data. The paper concludes by expanding the findings of this case study to the theoretical literature.

## **2. Literature Review**

### **QoL as event legacy**

Growing emphasis on principles of sustainable urban development has focused greater attention on the social and economic legacy of events (Pacione, 2012). Event legacy can provide a return on investment and a justification for public expenditure, obtain community support, and motivate other cities to bid for events (Matheson, 2010). One of the earlier articles to consider event legacy outlined that "part of the justification for enormous capital investment in events is the promise of legacy for the host community" (Getz, 1991: 30). More recently, Allen et al. (2008) highlighted the increased importance of legacy within the event management context, noting that legacy has become central to the decision of hosting an event. It is therefore believed that, when coordinated strategically, event can deliver economic, social and cultural legacies and have a lasting positive impact on residents' QoL. Following a closer examination of the literature, it was identified that legacy has multiple definitions, meanings and interpretations and despite its widespread usage (Davies, 2012). Several scholars have attempted to define and conceptualise legacy (e.g. Preuss 2007; Gratton and Preuss 2008; Cashman 2006; Chappelet and Junod 2006). One of the most popular definitions of legacy within the academic community is the one proposed by Preuss (2007): "legacy is all planned and unplanned, positive and negative, tangible and intangible structures created for and by a culture event that remain longer than the event itself" (2007: 211). Moreover, the concept of legacy differs from that of 'impact', which is caused by a short-term impulse, whereas legacy can be achieved only if an event has changed the structure of a host city. That is to say, events can create a strong impact, but they do not necessarily create a legacy (Preuss, 2007).

The literature on events presents several classifications of legacies. First, researchers agreed that tangible and intangible outcomes are fundamental to legacy discussions (Kaplanidou et al. 2013; Kaplanidou and

Karadakis 2010; Preuss 2007; Waitt 2003). The idea of tangible outcomes is similar to the term “hard” legacy (e.g. venues and infrastructure) coined by Preuss (2007), who also proposed the term “soft” legacy (e.g. cultural, educational, political, emotional benefits) to account for intangible legacy deliverables (Brownill et al. 2013; Kaplanidou et al. 2013). Second, legacy can be positive or negative. It is important to note that, in addition to identifying the positive aspects of legacy such as infrastructure, increased tourism, business opportunities, renewed community spirit and enhanced destination image, negative types of legacy can be associated to events including debts linked to the construction and production of the event, unused infrastructure after the event, overcrowding and strenuous use of local resources etc. (Leopkey and Parent, 2012). Furthermore, as Preuss (2007) pointed out, the same legacy may be positive for one industry (e.g., tourism), and negative for another (e.g., the environment). The same legacy maybe viewed positively or negatively, depending on who is making the assessment. In addition, event legacy can be actual (objective) or perceived (subjective). The former approach is based on measurement of people’s objective circumstances of living or social indicators. The latter approach tends to evaluate peoples’ subjective experiences of their life or subjective well-being (Brajša-Žganec et al., 2011). Researchers define subjective well-being as a broad construct that includes people’s cognitive and affective reactions to their whole life (Diener et al., 1999). More precisely, subjective well-being consists of people’s emotional responses, satisfaction with specific life domains, and satisfaction with life as a whole (Diener et al., 1999). According to above discussions, event legacy is a multi-dimensional and evolving concept (Ferraria and Guala, 2015). As a consequence, numerous typologies exist covering various types of legacies. Despite these variations, researchers agree that tangible and intangible outcomes are fundamental to legacy discussions (e.g. Kaplanidou and Karadakis 2010; Kaplanidou et al. 2015; Preuss 2007; Waitt 2003). Hard or tangible legacy is easily measured, and therefore gains more attention. On the other hand, softer or intangible legacy is less studied due to its complexity and difficulty of quantification and measurement (Ferraria and Guala, 2015). It is argued that both tangible (hard) and intangible (soft) event legacies should be addressed, as ‘hard’ physical legacy does not necessarily ‘trickle down’ to local people (Pacione, 2012), and intangible outcomes can be recalled at any point during everyday life (Kaplanidou, 2012). However, ‘soft’ legacies are often intangible and difficult to quantify objectively and to measure the real impacts (Ferraria and Guala, 2015). In this study, perceived (subjective) measures were therefore used to evaluate the impact of the ECOC event on residents’ QoL. Moreover, it is important to note that, in addition to identifying the positive aspects of legacy, negative types of legacy can be associated to major cultural events, and will be assessed.

### **The dimensions of QoL**

Multi-dimensional approaches have been adopted to distinguish different forms of legacy. For example, Cashman (2006) identified six fields of legacies: economics; infrastructure; information and education; public life, politics and culture; culture; symbols, memory and history. Chappelet and Junod (2006) argued that there are five categories: cultural, economic, infrastructural, urban, and social. The IOC’s (2009) definition of event legacies covers five Olympics legacies: sporting; social, cultural and political; environmental; economic; urban. Despite these variations, event legacies are normally framed around economic, environmental, social and cultural dimensions (Kaplanidou and Karadakis 2010; Matheson 2010). Introduced by Getz (2008), the ‘triple-bottom- line’ (TBL) approach has been widely incorporated into the field of event impact studies (e.g. Gibson et al. 2012; Andersson and Lundberg 2013; Tsaur et al. 2015). The TBL is a holistic approach that integrates the assessment of economic, social and environmental dimensions. The TBL principle advocates also a clear understanding of the components of various event legacies (Edizel, 2014). Since the physical restructuring of the city is generally regarded as a core legacy and normally associated with the economic regeneration or tourism development of a city, it is incorporated in the economic legacy. Moreover, the nature of the ECOC event has less environmental interventions of the host

city, but rather has a significant cultural impact. The event legacy indicators in this study encompass therefore the following three categories: economic / physical, social and cultural legacies.

Economically, major events may promote economic activities and create lasting economic benefits, which in turn prosper the local communities (Edizel, 2014). Upon a closer examination of the economic legacy, relevant outcomes that are documented in the literature include tourism promotion, job creation, infrastructure improvement, tax returns, investment and economic growth generated by hosting an event etc. (DCMS 2010; Kaplanidou 2012; Tsaur et al. 2015). When the impacts of tourism on residents' QoL is under discussion, tourism is considered as a means to make a community a better place to live (Choi and Sirakaya, 2005) and a major industry that contributes to creation of local employment and increased tax revenues (Yu et al., 2011). Studies in the past (e.g. Liu et al. 1987; Liu and Var 1986; McCool and Martin 1994; Roehl 1999) have proved that perceived economic benefits, such as job opportunities, additional and improved infrastructure, and recreation/leisure opportunities, had a positive correlation with residents' QoL. Physically, events may also provide an incentive to develop new tourism accommodations, attractions or amenities (Smith, 2012), or accelerate the completion of infrastructure projects that would have either taken years to complete or would have never materialized in the hosting city (Terret, 2008). The new infrastructures brought to the city benefit not only the tourists but also residents' QoL (Kaplanidou and Karadakis, 2010). However, events may generate negative economic effects, such as price inflation, unused facilities and financial burdens (Kim et al., 2006). Moreover, the economic growth from tourism does not always have a positive impact on residents' well-being (Jeon et al., 2014). Tourism may result in a lower QoL, such as loss of cultural identity, environmental degradation, increased cost of living, friction between residents and tourists, and changes in residents' ways of life etc. (Jeon et al. 2014; Yu et al. 2014). Smith (2012) also argued that events might privilege only the interests of outsiders or create insecure and poor-quality jobs.

Socially, hosting events are claimed to bring several benefits not only to individual's personal development but also to the host communities as a whole. As such, more and more event organisers are adopting social sustainability approach and the social legacy of events has started to get more attention (Edizel, 2014). Social legacy is enclosed in the so-called intangible legacy (Ferraria and Guala, 2015), and sometimes more significant to local residents' QoL than economic legacy (Gursoy and Kendall, 2006). First, an essential aspect of event social legacy is the change in local resident perceptions of a host city or region (Hall 1992; Chappelet and Junod 2006; Getz 2008). Apart from the improvement of self-image, it is widely believed that event can contribute to the enhancement of sense of place and local identity (García, 2004). For instance, as Richards and Palmer (2010: 418) noticed, "sense of place is one of the key elements of distinctiveness for cities, and cultural events can be an important means of underpinning a sense of belonging and local pride". Also, Derrett (2003) and Council of Europe (1997) proposed that events could help to strengthen local identity and civic pride, especially when local people were given the ownership of event. On the other hand, major events have been incorporated in urban regeneration strategies, which sometimes aim to influence social renewal in terms of enhancing social networks, social cohesion and social capital, as well as alleviating social exclusion (e.g. Jones and Stokes 2003; Misener and Mason 2006; Ziakas and Costa 2011). For instance, Matarasso (1997) argued that extensive involvement in cultural activities had a positive effect on social cohesion, community empowerment and local identity. Although the term legacy has a positive connotation, hosting a cultural event can generate negative and long-term social impacts and negatively influence QoL, such as the breaking of social networks, community alienation and displacement, and the loss of affordable housing as a result of gentrification (Kavetsos 2012; Kaplanidou et al. 2013).

Culturally, access to cultural activities and amenities become one of key indicators of a city's QoL (Evans, 2005). A principal approach to achieve sustainable cultural impacts is to improve the accessibility to event projects and programmes for local population (Richards and Palmer, 2010). Consequently, to yield sustainable cultural legacy, there should be a high level of community involvement and participation in the

event programmes. Ferraria and Guala (2015) noticed that the spread of cultural activities, a greater passion for certain forms of art and the growth of cultural events supply are all capable of enhancing the QoL. Matarasso (1997) also highlighted many different ways in which cultural participation can contribute to social development, such as enhancing confidence, self-esteem and skills. Improvement in these areas can lead to improved health and well-being, creating QoL and civic pride. Additionally, according to Kwok et al. (2013), a considerable number of studies confirmed the positive effect of volunteering on QoL. Individuals who have performed volunteer work reported higher life satisfaction than non-volunteers (Stukas et al., 2008). People also consistently report an increased sense of life satisfaction and perceived improvement in QoL after participation in volunteer programs (Kwok et al., 2013). More involvement in volunteering and membership of voluntary associations are also related to an increase in subjective well-being (Aquino et al. 1996; Thoits and Hewitt 2001; Van Willigen 2000). Finally, the success of event-led regeneration lies in a more inclusive approach, which considers the cultural values of the local (Edizel, 2014). The event programme should therefore become an integral part of the cultural ecology of the city and make an important contribution to improving the QoL of all stakeholders (Richards and Palmer, 2010). As found by Palmer-Rae (2004), raising the level of participation and interest in culture is an important target for many ECOC cities, and nearly all ECOC cities included at least some programmes aiming to enhance participation and volunteering.

### **3. Methodology**

Researchers use various approaches to define and measure the complex and multidimensional constructs of QoL, such as social indicators, subjective well-being measures, and economic indices (Diener et al. 1999; Veenhoven 2000). In this study, subjective measures were used to evaluate the impact of the ECOC event on residents' QoL, including economic, social and cultural dimensions. Moreover, the preceding discussion reveals that perceived changes in QoL may be part of the social exchange process, namely residents value the event legacies based on an exchange process during which the residents evaluate the benefits that influence their QoL (Kaplanidou 2012; Kaplanidou et al. 2015). Gursoy and Kendall (2006) also suggest that residents are likely to support events when they believe that the expected benefits of development will exceed the expected costs. Social Exchange Theory, introduced by Emerson (1976), was adopted thus to explore the relationships between event legacy, satisfaction with QoL and event support. Within this framework, economic, social and cultural indicators will be tested as contributing factors to residents' perceived increase in QoL and support for event.

So as to the context of case studied, situated in the northwest of England, Liverpool has always been a gateway to the rest of the world and known globally as the hometown of the Beatles. However, the city has long suffered a poor reputation due to a period of economic and social decline, and saw the opportunity of holding the 2008 ECOC as a catalyst for wider regeneration (Impacts 08 2010a; Nobili 2005). An extensive study on the impact of Liverpool as the ECOC 2008 suggested that, whilst there has been evidence of positive impacts in the short-term (1-2 year on) (Impacts 08, 2010a), subsequent research revealed also scepticism with regards to the event's long-term impact on their neighbourhoods (Impacts 08 2010b; Tay and Coca-Stefaniak 2010). In order to understand how the residents of Liverpool evaluate the outcome of the legacies toward their overall QoL, data were collected from telephone survey carried out in June-August 2015. Following the sampling criteria of the neighbourhood survey (Impacts 08, 2010b), quota sampling was used to explore the opinions of residents from a diverse selection of areas within Liverpool. It helps to give a comparison of how the ECOC impacts on a wide cross-section of the population. Four areas representing geographical and demographical variations of the population were chosen. The characteristics of areas chosen were presented in Table 1. Due to budget and distance constraints, the researcher contracted a market research company to conduct 150 questionnaires in each community. The sample was generated by utilising a phone list from the most current telephone book, selecting randomly three numbers from each

page. The respondents also need to meet the criterion of residing in the selected area for at least 8 years prior to the study, thus ensuring their experience regarding the event's legacies. In total, 600 questionnaires were collected, with 8 incomplete and hence dropped, resulting in 592 useable questionnaires for further analysis. Although the research sample is not representative of the larger population, it captured a good mixture of residents residing in various parts of Liverpool.

**Table 1 – Summery demographics for areas surveyed**

	<b>Aigburth (n= 148)</b>	<b>City Centre (n= 150)</b>	<b>Kirkdale (n= 147)</b>	<b>Knotty Ash (n= 147)</b>
<b>Location</b>	South of and 1.6 miles from the city centre	Right in the centre	North of and 1 mile from the city centre	East of and 6 miles from the city centre
<b>Accessibility</b>	Few cultural amenities and activities, but excellent transport links to city centre	Proximate to various cultural amenities and good public transport links	A long tradition of community activism and a strong sense of local pride	Low level of community activity; Furthest from city centre
<b>Feature of residents</b>	Large number of families and older people, and relatively prosperous	Much younger and more ethnically diverse	With lower social grades and have strong concern over crime	Higher proportion of elderly residents; lower social grades; high deprivation

The survey consisted of questions related to the rating of legacy outcomes related to the residents' QoL and demographic questions at the end of questionnaire. The literature was screened for adequate measures that referred to economic, social and cultural legacies of major events. The most relevant ones were shown in Table 2. To refine the derived legacy items, the official evaluation reports – Impacts 08 (2010a) and Ecorys (2009) were reviewed. Finally, a total of 21 legacy items were developed which reflecting the planning and policy statements of the 2008 ECOC Liverpool (as shown in Table 2). Based on a 5-point Likert scales ranging from strongly disagree to strongly agree, the respondents were asked to rate the importance of each for their QoL enhancement. One more dependent variable (i.e., event support) was measured with the statement as: "overall, I support the hosting of the 2008 ECOC in Liverpool"). Since it is argued that the individuals' demographic characteristics can interact with perceived QoL evaluations, independent variables such as location of community, gender, age, ethnicity, education, occupation and whether attended the ECOC events were also incorporated in the survey. Table 3 provides the descriptive statistics of all the variables included in the survey. Among the 592 respondents, 52% of them were female and the mean age was 44 years. Most of respondents (88%) are White British and the majority of them (54%) were high school educated. In terms of occupation, 48% were employed, fellow by 34% retired. 63% of respondents have attended as least one ECOC event during 2008.

**Table 2 – Legacy items within the survey**

Categories	Items	Relevant literature
Economic legacy	• Increase job opportunities	Choi & Sirakaya (2005); DCMS (2010); Jeon <i>et al.</i> (2014); Kaplanidou & Karadakis (2010); Kaplanidou (2012); Liu, <i>et al.</i> , (1987); Liu & Var (1986); McCool & Martin (1994); Roehl (1999); Smith (2012); Tsaour <i>et al.</i> (2015); Yu <i>et al.</i> (2014)
	• Promote economic activities	
	• Benefits from new tourism amenities	
	• Improve/accelerate infrastructure projects	
	• Improve city appearance or image	
	• Increase cost of living	
	• Privilege only certain people	
Social legacy	• Increase sense of community	Chappelet & Junod (2006); Derrett (2003); García (2004); Getz (2008); Hall (1992); Kaplanidou <i>et al.</i> (2013); Kavetsos (2012); Matarasso (1997); Misener & Mason (2006); Richards & Palmer (2010); Ziakas & Costa (2011)
	• Improve self-image and confidence	
	• Strengthen local identity	
	• Enhance civic pride	
	• Enhance social network	
	• Increase volunteerism	
	• Deepen the problem of social exclusion	
Cultural legacy	• Increase cultural facilities/space	Aquino <i>et al.</i> (1996); Edizel (2014); Evans (2005); Ferraria & Guala (2015); Kwok <i>et al.</i> (2013); Matarasso (1997); Palmer-Rae (2004); Richards & Palmer (2010); Stukas <i>et al.</i> (2008); Thoits & Hewitt (2001); Van Willigen (2000)
	• Increase cultural events/activities	
	• Access to cultural opportunities	
	• Raise the level of cultural participation	
	• Raise the level of interest in culture	
	• Increase local cultural values	
	• Result in local culture dilution	

**Table 3 – Profiles of the residents surveyed (n = 592)**

Profile	Frequency	%	Profile	Frequency	%
<i>Location</i>			<i>Ethnicity</i>		
Aigburth	148	25%	White British	521	88%
City Centre	150	25%	BME	71	12%
Kirkdale	147	25%	<i>Education</i>		
Knotty Ash	147	25%	Less than high school	124	21%
<i>Gender</i>			High school	320	54%
Male	284	48%	University and above	148	25%
Female	308	52%	<i>Occupation</i>		
<i>Age</i>			Student	71	12%
< 20 yrs	47	8%	Employed	284	48%
20 to < 40 yrs	148	25%	Retired	201	34%
40 to < 60 yrs	184	31%	Others	36	6%
60 yrs +	213	36%	<i>Attended the 2008 ECOC events</i>		
			Yes	373	63%
			No	219	37%

## 4. Results

To delineate the dimensions underlying the perceived ECOC legacy, a principal component factor analysis with varimax rotation was undertaken. In accordance with Kaiser's (1974) criterion, only factors with eigenvalues greater than 1 were retained, and only items with factor loadings equal to or above 0.5 were included in the final factor structure. The 21 impact items yielded six factors with eigenvalues greater than one. These factors explained 58.43% of the variance. Reliability analysis was used to confirm the internal consistency of the resulting factors. Cronbach's  $\alpha$  values ranged from 0.71 to 0.84, greater than the standard of 0.6 (Hair *et al.*, 2006). However, three items - "increase volunteerism", "increase local cultural values" and "result in local culture dilution" did not meet the factor loading criteria, and therefore were excluded for further

analyses. The factor solution along with the means and standard deviations of the variables is presented in Table 4.

To analyse descriptively the legacy outcomes, the items are presented from highest to lowest mean scores in Table 4 and the critical value of 3.5 from a 5-point Likert scale was adopted as the cut-off point. Among the 18 items, nearly all event legacy indicators were higher than the critical value of 3.5, except for one positive item - "increase job opportunities" and two negative items - "increase cost of living" and "deepen the problem of social exclusion". The results indicated that hosting the 2008 ECOC Liverpool might have been less beneficial for economic and tourism legacy. The top four ranked items for Liverpool were primarily related to image and identity legacy. Improved city appearance / image and self-image / confidence were among the most significant outcomes. The six factors yielded were labelled, in rank order (i.e. the highest overall mean value first), as:

**Table 4 – Factor analysis of the legacies of 2008 ECOC**

Factor	Mean	SD	Factor loading	Eigen value	% of variance
<i>Factor 1: Image &amp; identity legacy</i>	<u>4.32</u>			3.27	15.34
Improve city appearance and image	4.50	0.52	0.81		
Improve self-image and confidence	4.43	0.68	0.73		
Enhance civic pride	4.21	0.71	0.64		
Strengthen local identity	4.14	0.63	0.51		
<i>Factor 2: Cultural legacy</i>	<u>3.97</u>			4.50	18.06
Raise the level of cultural participation	4.10	0.81	0.82		
Raise the level of interest in culture	4.07	0.82	0.80		
Access to cultural opportunities	3.73	0.91	0.57		
<i>Factor 3: Infrastructure &amp; amenities legacy</i>	<u>3.94</u>			2.21	11.23
Improve/accelerate infrastructure projects	4.02	0.74	0.78		
Increase cultural facilities/space	3.95	0.87	0.67		
Increase cultural events/activities	3.85	0.82	0.61		
<i>Factor 4: Community development legacy</i>	<u>3.77</u>			1.68	5.07
Increase sense of community	3.79	1.01	0.75		
Enhance social network	3.75	0.98	0.65		
<i>Factor 5: Economic &amp; tourism legacy</i>	<u>3.65</u>			1.19	4.51
Promote economic activities	3.74	1.05	0.67		
Benefits from new tourism amenities	3.71	0.94	0.59		
Increase job opportunities	3.49	0.85	0.54		
<i>Factor 6: Negative legacy</i>	<u>3.34</u>			1.02	4.22
Privilege only certain people	3.54	0.93	0.61		
Deepen the problem of social exclusion	3.34	0.84	0.57		
Increase cost of living	3.14	0.75	0.51		

- Factor 1: Image and identity legacy (4 items, mean = 4.32) refers to the symbolic legacy. The importance of image and identity legacy (means = from 4.14 to 4.50) was evidenced as the highest mean scores across six factors. It suggests that the ECOC designation and activity has helped to increase external image of the city and encouraged residents to feel that the city is viewed positively externally. Liverpool sought to use ECOC status to improve its image in the media and in the public's perception, and to promote the city as a cultural destination (Ecorys, 2009).



- Factor 2: Cultural legacy (3 items, mean = 3.97) refers to more people taking part in cultural activities and increasing the cultural interests of residents. The survey results demonstrated that cultural participation (mean = 4.10) and the interest in culture (mean = 4.07) have been both increased through extensive and geographically spread local campaigns. The access of geographical peripheral and socially deprived communities in cultural activities has been also widened (mean = 3.73).

- Factor 3: Infrastructure and amenities legacy (3 items, mean = 3.94) refers to improving the infrastructure (mean = 4.02) and cultural provision associated with an event, including both cultural facilities/space (mean = 3.95) and events/activities (mean = 3.85). Events such as the ECOC typically involve a large-scale investment, such as event-related construction, building new venues or tourist and leisure facilities. The main driver of Liverpool becoming ECOC was to achieve the city's regeneration aims, and provide a focus for bringing forward and combined with future projects.

- Factor 4: Community development legacy (2 items, mean = 3.77) refers to enhanced sense of community (mean = 3.79) and social network (mean = 3.75). Previous studies have suggested that hosting events enhances community consciousness and strengthen social network (Ritchie et al., 2009). The survey results showed that the residents did believe that hosting the ECOC contributed to the community development. However, volunteerism has not been increased significantly (mean = 3.31) and did not meet the factor loading criteria.

- Factor 5: Economic and tourism legacy (3 items, mean = 3.65) refers to the economic and tourism development benefits that remain after an event, including the promotion of economic activities (mean = 3.74), benefits from new tourism attractions/amenities (mean = 3.71), and increased job opportunities (mean = 3.49). The 2008 ECOC Liverpool provided a vital incentive for physical regeneration and driver of tourism development. However, in this study, economic and tourism legacy was evaluated relatively lower than other dimensions by the respondents, especially the influence on job creation.

- Factor 6: Negative legacy (3 items, mean = 3.34) refers to negative economic and social effects of the ECOC, including privileging only certain people (mean = 3.54), deepening the problem of social exclusion (mean = 3.34), increasing cost of living (mean = 3.14) and. According to the survey results, although the majority of residents supported the ECOC, but still not everyone felt included.

To explore the influence of demographic variables (i.e. location, gender, age, ethnicity, education, occupation and attendance at the ECOC) on the legacy outcomes, one-way analysis of variance (ANOVA) tests and t-tests were estimated and presented in Table 5 (only variables with significant influence were shown). Gender, age, ethnicity, education and occupation did not have any significant influence. The location of community and the attendance at the ECOC events were the only two variables deemed important for the QoL. Proximity, as measured by location of residence in Liverpool, has significantly statistical influence on residents' perceptions of legacy. Differences were also found in the variable - attendance at the ECOC. Post hoc tests (Tukey's HSD) were then conducted to identify whether certain group(s) outperformed significantly others.

In terms of the variable - location, significant differences were found in three factors, i.e. cultural legacy, infrastructure / amenities legacy, and community development legacy. For both cultural and infrastructure / amenities legacies, Aigburth (means = 4.53 & 4.43) and City Centre (means = 4.43 & 4.55) were significantly higher than Kirkdale (means = 3.47 & 3.44) and Knotty Ash (means = 3.46 & 3.23). By contrast, Kirkdale (mean = 4.32) outperformed the other three communities while community development legacy was considered. The proximity of Aigburth and City Centre to the cultural amenities (e.g. museums and galleries) in Liverpool centre may explain this gap. This result may also result from the fact that Aigburth has gained the most from ECOC in terms of cultural programming and new leisure and retail facilities than residents of other neighbourhoods (Impacts 08, 2010b).

**Table 5 – Influence of demographics on the legacy factors**

	Factor 1: Image & identity legacy	Factor 2: Cultural legacy	Factor 3: Infrastructure & amenities legacy	Factor 4: Community development legacy	Factor 5: Economic & tourism legacy	Factor 6: Negative legacy
<i>Location (F = 2.478; p = 0.022)</i>						
Aigburth	4.44	4.53*	4.43**	3.89*	4.04	3.01
City Centre	4.45	4.43*	4.55**	3.20*	4.23	3.21
Kirkdale	4.21	3.47*	3.44**	4.32*	3.13	3.27
Knotty Ash	4.18	3.46*	3.23**	3.65*	3.21	3.87
<i>ECOC attendance (t = 2.307; p = 0.024)</i>						
Yes	4.44*	4.37**	4.03*	3.82	3.76	3.27
No	4.20*	3.58**	3.84*	3.71	3.55	3.61

Note: Post hoc tests (Tukey's HSD) \*  $p < 0.05$ ; \*\*  $p < 0.01$ .

On the other hand, the lowest mean values across most of the factors (apart from economic and tourism legacy) were found in Knotty Ash. According to previous research (Impacts 08, 2010b; Liu, 2015), Knotty Ash had very limited community involvement in ECOC, very negative about the benefits and long term impacts of ECOC, and least likely to see positive legacy resulted from ECOC, either in their community or the whole city. The findings from Kirkdale were somewhat contradictory. Although cultural and infrastructure / amenities legacies ranked as the third across four communities, it had the highest community development legacy, mainly due to the presence of community organisations in promoting and encouraging cultural participation helped to strengthen the sense of community and social networks (Liu, 2015).

So as to the influence of ECOC's attendance, for three factors - image / identity and cultural legacies, the attendants (i.e. those who have attended as least one ECOC event during 2008) evaluated the legacy outcomes consistently higher than the non-attendants. Finally, all five legacy factors were entered into a multiple regression analysis to examine the overall attitude and support for the 2008 Liverpool ECOC. As shown in Table 6, the results revealed that three out of the six factors ( $R^2 = 0.374$ ;  $F = 43.27$ ;  $p < 0.005$ ) predictive of attitude towards the 2008 Liverpool ECOC with a total of 31% variance explained. Community development legacy, economic and tourism legacy, and negative legacy did not affect residents' support for the 2008 ECOC. It is suggested that in the long run, the intangible benefits - image/identity and cultural legacies, and the tangible benefit - infrastructure & amenities legacy would stand out and outweigh other benefits as key determinants of residents' support for the 2008 ECOC.

**Table 6 – Regression analysis on perceived legacy factors on support of 2008 ECOC**

Variable	B	SD	$\beta$	Sig.
Constant	3.76	0.31		0.000
Factor 1: Image & identity legacy	0.28	0.31	0.35	0.000
Factor 2: Cultural legacy	0.17	0.31	0.26	0.002
Factor 3: Infrastructure & amenities legacy	0.14	0.31	0.18	0.004

## Conclusion

Local residents are often seen as one of the key stakeholders of an event. They are not only the main target audience, but also play a key role as event initiators and as a vital source of event's sustainability (Nobili, 2005; Richards and Palmer, 2010). The growing importance of legacy within major events has resulted in a heightened interest in the concept of legacy by various ECOC host cities. Previous studies on the event

legacy have primarily identified the categories of event legacy. However, few empirical studies have examined the way these legacies affect individual QoL, such as satisfaction with community, neighbourhoods and personal satisfaction. This study contributes to this line of inquiry by conceptualising the significance of event legacy for inhabitants' QoL. To transmit the value behind the findings, the paper concludes by expanding the findings of this case study to the theoretical literature, including a critical discussion of the found results and an insight into the reasons behind different locations' perceptions. Furthermore, since the 2008 ECOC was not the only one variable of the changes in Liverpool's QoL, additional data was incorporated to better understand the convergence or mismatch between net and gross event legacy.

When Liverpool won the bid to host the ECOC, one major vision was to leave a legacy benefiting local community. Exploring the legacy outcomes for residents' QoL in Liverpool, the results indicate that the ECOC has stimulated many important legacies and the residents perceived generally that hosting the 2008 ECOC was beneficial for their QoL. Overall, the results suggest that intangible legacy relates more to people's satisfaction with QoL and event support. Especially, the most highly perceived benefits were image / identity and cultural legacies. The results coincide with several previous studies (e.g. Kaplanidou 2012; Kim & Petrick 2005; Kim et al., 2006), which have shown that psychological benefits or symbolic legacy are frequently higher than other benefits, and may be rated as the most important event legacy. The evidence here reflects also the finding of García (2005), who found that local images and identities were the strongest and best-sustained legacy of Glasgow's reign as the 1990 ECOC 15 years on.

According to García (2004), two aspects widely criticised were the failure of the event to assist widening the access and involvement of geographical peripheral and socially deprived communities in cultural activities, and its inability to act as a platform for representing local cultures. In the case of Liverpool, to stimulate participation across the population as a whole, a dedicated organisation - Liverpool Culture Company was established, in charge of coordinating a branded programme of events over eight themed years (Impacts 08, 2010a). Also, due to the implementation of extensive community programmes, the 2008 ECOC enhanced the cultural vitality of the city and resulted in a significant cultural legacy. In addition, an associated legacy of ECOC was arguably the physical restructuring of a wide area in Liverpool.

The literature mainly suggests that hosting events increases community cohesion and the tendency to engage in voluntary work (Misener and Mason 2006; Nichols 2012; Smith 2012). During the period of hosting the 2008 ECOC, community development and volunteer programmes were developed, such as the 08 Welcome and 08 Volunteer projects. These programmes aim at engaging people from more disadvantaged backgrounds (Impacts 08, 2010a). Moreover, to improve access to culture and build community enthusiasm, two main programmes were launched and implemented in outlying and deprived areas of the city - Creative Communities and Four Corners community programme (Ecorys, 2009). Apart from the volunteerism, the findings demonstrated that the residents of Liverpool perceived that hosting the ECOC did result in a legacy of community development.

Although Karadakis and Kaplanidou (2012) argued that increasing investment and changing the built environment through major event are considered as important factors for potential employment opportunities, respondents of Liverpool were less likely to perceive the impacts of economic and tourism development on their QoL, especially the influence on job creation. The result reveals the argument of Owen (2002), that is, economic legacy is good as long as it protects the interests and rights of the local community. Mooney (2004) and Jones and Wilks-Heeg (2004) proposed also that jobs generated by major events are normally in leisure and hospitality sectors with poor paid and irregular forms of work. The relatively lower perceived legacy on economic dimension may be associated with the negative legacy. As argued by Davies (2012), economic regeneration legacies are often contrasted with negative impacts of local inflation and gentrification. The findings of García and Cox (2013) may also be used to explain these negative legacies. They argued that, although physical developments are often regarded as some of the most tangible indicators of long-term

impact in ECOC cities, this is one of the more contentious areas of legacy. Since most of the infrastructure and cultural amenities are concentrated in the city centre, not every resident could gain the benefits in the long run.

For Liverpool residents, the location of community and the attendance at the ECOC events were the main variables of differences in most legacy outcomes. In terms of image / identity, cultural, and infrastructure / amenities legacies, a noticeable variation was found between communities. Overall, for the two disadvantaged neighbourhoods (i.e. Kirkdale and Knotty Ash), lower cultural impacts of ECOC can attribute to both the cultural distance (lower cultural capital resulted from lower socio-economic status) and physical distance (travelling distance and cost). On the other hand, for the two advantaged neighbourhoods (i.e. Aigburth and City Centre), higher socio-economic status, geographical proximity and excellent transport links to central Liverpool are arguably the main contributors to cultural and infrastructure / amenities legacies. In addition, as the furthest neighbourhood from city centre and with limited transport, the residents of Knotty Ash were less likely to attend cultural or leisure activities and benefit from the infrastructure and amenities. Consequently, it is hard for people to see the positive legacy resulted from ECOC. However, for Kirkdale, the socio-cultural legacy of ECOC was maximised due to the presence of community organisations in promoting and encouraging cultural participation. As a result, the residents of Kirkdale became much more confident with the ECOC positive legacy in improving local wellbeing and QoL.

It should be noted that the measurement of legacy over time is challenging because legacy cannot be identified in isolation from the general development or other on-going regeneration initiatives in the city (Preuss 2007; Minnaert 2012; Preuss 2015). For the residents, event-related changes (i.e. the net legacy) may be confused with non-event-related development (i.e. the gross legacy). It is especially the case for Liverpool in the two dimensions - 'infrastructure & amenities legacy' and 'economic & tourism legacy'. Evans (2011) argued that Liverpool has benefited from over two decades of continued regeneration and cultural investment, and the change of the city should be seen as a long-term regeneration rather than the outcomes of a one-off event. According to the evidence provided by two official assessment reports - Ecorys (2009) and Impacts 08 (2010a), many plans and projects associated with the 2008 ECOC had already been generated before the nomination and they were not developed purely for the event, such as Liverpool ONE shopping centre, the Arena and Convention Centre Liverpool, the new Museum of Liverpool, regenerated World Heritage Waterfront, and the refurbished Bluecoat Arts Centre (Ecorys, 2009). It is therefore argued that the changes in QoL should not attribute solely to the ECOC status, and some of the outcomes could only be treated as indirect event legacy.

Finally, event legacy has shifted from being an unknown outcome of the event to something that should be considered and planned in the early stages (Edizel, 2014). Karadakis and Kaplanidou (2012) also argued that only if a long-term legacy plan is envisaged and considered during the planning phase for hosting an event, could the improvement of QoL be guaranteed. Indeed, there has been a shift to implement legacy planning within a number of recent ECOCs. However, the temporal nature of the event is acknowledged by many cities as a particular challenge (García and Cox, 2013). This study underlines the importance of planning legacy as a holistic programme from the early stages of event process. Liverpool is one of the few cities, which considered the legacy before staging the ECOC. For instance, to increase external and internal image of the city, Liverpool established a dedicated organisation - Liverpool Culture Company at an early stage, in charge of marketing and coordination. It demonstrates also that the implementation of the community involvement strategies during major event is the prerequisite of enhancing social and cultural legacies. To improve access to culture and build community enthusiasm, a branded programme of events over eight themed years was established, associated with a series of community development initiatives, such as Creative Communities, Four Corners, 08 Welcome and 08 Volunteer programmes. Local authority was also committed to sustaining increased funding of culture for two more years after the ECOC. Moreover,

to have a lasting legacy, Liverpool tried as much as possible to integrate the event regeneration with other planned and long-term developments within the city.

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# **Internationalization in the professional field of arts management – effects, challenges, future goals and tasks for arts/cultural managers in international context**

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## **Abstract**

Despite the vastly growing internationalization in the art worlds and in cultural management due to the growing number of international projects and cooperation as well as globalization and migration there have hardly been any scientific studies on the effects of internationalization on role models, challenges and competencies of cultural managers until now. How do they work in different countries, which goals and role models do they connect with their work, how have they experienced the value and the difficulties of international cooperation? Are there differences in working styles due to national political and economic relations or due to a different understanding of the role of arts and culture or which other factors are influencing the way of managing and creating cultural contexts? What competencies are needed to work internationally and how can these be taught to future arts managers?

Keywords: Internationalization, Arts management, Role Models of Cultural managers, Quantitative survey

## **Introduction and main research questions**

Despite the vastly growing internationalization in the art worlds and in cultural management due to the growing number of international projects and cooperation as well as globalization and migration there have hardly been any scientific studies on the effects of internationalization on role models, challenges and competencies of cultural managers until now. To fill that gap in research the Department of Cultural Policy at the University of Hildesheim conducted an empirical study (mixed-method design) on international cultural management in cooperation with the Goethe Institute and the European Cultural Foundation Amsterdam/Mit Ost Berlin between the years 2015-2016.

The results give an insight into the way cultural managers in different countries view themselves, how they work, what they think about the influence of arts management on societal and political development and the value and challenges of international cooperation as well as ideas about the main future challenges. The four main research questions were: 1. How do arts/cultural managers in different countries view themselves and what role-models do they identify with? 2. To what extent does the region they live in, influence their work and what other factors influences the style, in which arts/cultural management is practiced? 3. Is there a standardized global set of arts/cultural management tools? 4. What kind of differences and similarities can be found in executing arts management in different countries and regions?

It is the first comprehensive study on arts managers working internationally. Therefore the survey is explorative in its aim to fill a gap in research and to create a basis for the development of scientific theories and further future analyses. It cannot be considered as representative for all cultural managers working internationally. But it can indicate trends and tendencies and show differences in the answers of cultural managers acting in different regions as well as an idea to what extent the understanding of someone's own role influences his or her work.

## **1. Research Method**

For the purpose of the study 35 experts on international arts management from different countries were intensely interviewed using qualitative methods. Based on the results an online survey was developed. The basic population of that study consisted of cultural managers working internationally in all countries of the world at the present moment.

Because of a lack of list in which these are indicated – together with the up-to-date email-addresses – an alternative reference population needed to be defined: Cultural managers working internationally who participated at the „Managing the Arts: Cultural Organizations in Transition”–MOOC by the Goethe Institut, at “Tandem” by European Cultural Foundation Amsterdam/Mit Ost Berlin or prospects and participants of the “International Conference on Cultural Policy Research” 2014 at the University of Hildesheim. All people on the according mailing lists were asked to take part in an online survey in English. There was no sample drawn, but a full survey of all persons on the e-mail distribution list was conducted. Around 750 people coming from 110 countries answered the questionnaire until the end of June 2016.

The study also involved expert Interviews with two responsible managers of the exchange program for cultural managers “Tandem” by European Cultural Foundation Amsterdam/Mit Ost Berlin (Philipp Dietachmair/Jotham Sietsma), an analysis of all evaluation documents from Tandem programs since 2011, a group discussion with 15 participants from Tandem Europe in Leeuwarden July, 13th 2016, a participating observation during the Tandem Europe meeting in Leeuwarden and the analysis of questions contributed to Goethe Instituts' own internal evaluation of its Mentored Open Online Course (MOOC) “Managing the Arts: Cultural Organizations in Transition” – MOOC 2016.

### **Structure of the sample**

#### **Sociodemography**

The sample consisted of various age groups with the highest number of members of the "middle" age group 31-40 (38 percent), nearly equal parts of people aged under 30 years and 41 through 50 years and a relatively low proportion of people older than 50 years (17 percent). Around two-thirds of those questioned (67 percent) were females equivalent to the high portion of females working in the cultural field.

The degree of formal education of the respondents was extremely high, 75 percent did have B.A., M.A. or another university degree, another 14 percent had a doctor's degree. Only around 10 percent of those questioned stated that they had no university degree but a vocational/professional degree (6 percent) or a degree in higher education (high school, grammar school) (4,4 percent). This indicates that the profession of cultural manager is internationally of a strongly academic nature.

The vast majority of the respondents did not have a specific degree/certificate in arts/cultural management (61 percent) while the fact that 38 percent did not possess such a certificate indicated a large amount of self-trained persons in the working field of arts/cultural management. They might have had an academic degree, but not with a specialization in that working field.

#### **Sector and working field**

When asked for the sector they mainly worked in, a large majority of respondents (slightly more than 60 percent) indicated that they worked in the non-profit sector, about half of them in the public sector (32 percent) and the other half in NGOs (non-profit) (31 percent). Around 35 percent worked for-profit either in

the private sector (12 percent) or as freelancers and cultural entrepreneurs working for several cultural projects/customers (23 percent).

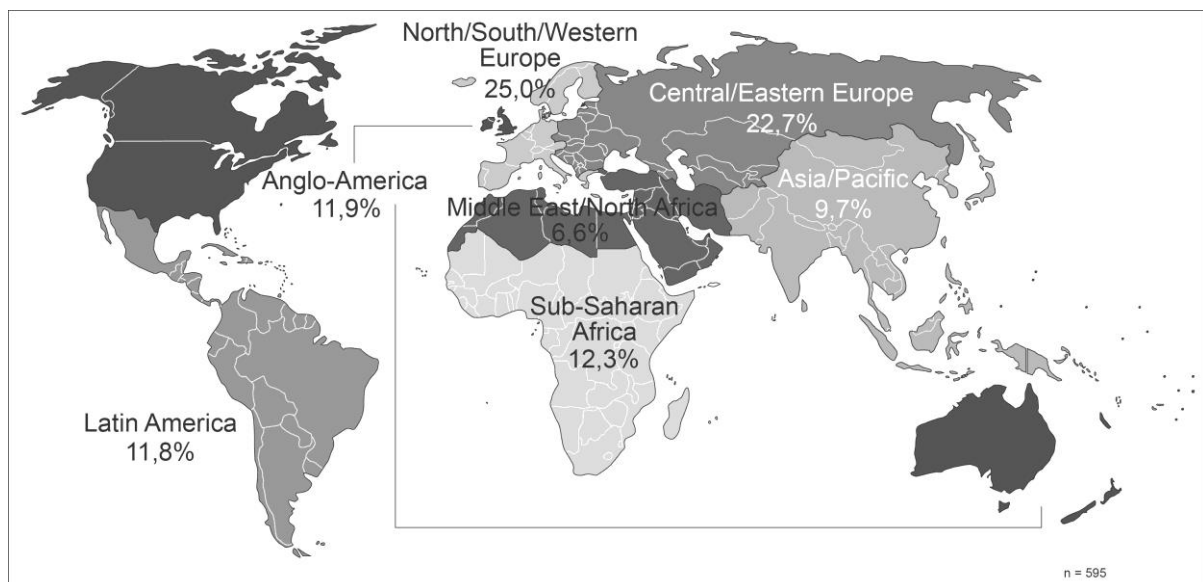
The largest proportion of those questioned worked in arts institutions (29 percent), followed by the field "training, teaching, research" (24 percent) and "arts administration/cultural policy" (17 percent), whereas only 10 percent of them worked in the field of festival management and even less in the fields of cultural diplomacy (4 percent) and cultural tourism (3 percent). A relatively large number of respondents (13 percent) stated that they worked in another field. The area mentioned most frequently in this context was `artistic/design` indicating smooth transitions between cultural management and artistic activities.

### Geographic origin

The study presumed that cultural managers who worked internationally are very mobile and that their country of origin and country they mainly lived and worked in are likely to differ. On the contrary, almost 95 percent of the respondents mainly lived and worked in the same country and were also born in that country in most of the cases. This shows that the respondents were very much regionally or nationally "rooted" despite the global trends of increasing internationalization and ongoing migration.

In order to assess whether the country specific, geographical or culture-specific background influences the answers of the respondents, their individual countries of origin needed to be clustered into bigger regions. After a review and examination of differing classifications, a mainly geographical classification was chosen.<sup>1</sup> A majority of those surveyed originated from the clusters North, South and Western Europe (25 percent) and Central and Eastern Europe (23 percent). But respondents from Sub-Saharan Africa (12 percent), Anglo-America (12 percent), Latin America (12 percent), Asia and Pacific (10 percent) and Middle East and North Africa (7 percent) were also well-represented and formed a sufficiently sample for statistical evaluation (see figure 1).

Figure 1. Regions mainly lived in



<sup>1</sup> Only the countries United Kingdom, USA, Canada, New Zealand, Australia and Ireland were excluded from the regions they originally belonged to. Respondents from these countries they were clustered in the region "Anglo-America" and considered to answer differently because the discipline "cultural management" originated there.

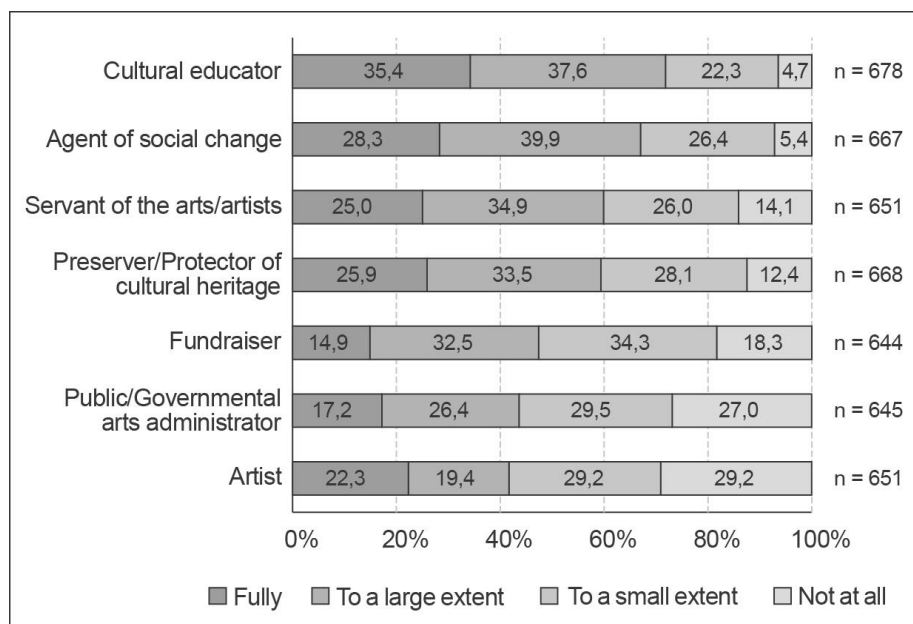
## 2. Key results

**Role models of the respondents:** A large majority of the respondents favors a broad concept of defining their role and goals in cultural management and prefers the term “cultural manager” in comparison with “arts manager”; most of the respondents can identify themselves more with the role/function “cultural educator” and “agent of change” than with being a service provider for the arts/artist or an public administrator.

Asked if they see themselves rather as “cultural” managers” or “arts managers” about half of the respondents (51 percent) decided for the broader concept of the cultural manager (most frequently those active in the cultural tourism and festival management sector, 70 percent). Just over a quarter of the respondents view themselves in a narrower sense as “arts managers” (26 percent). A large number of the ones questioned (23 percent) deemed both self-descriptions not appropriate, most of them working as “academic/university teachers/researchers”. Not surprisingly the self-definition “arts manager” was mostly used by those who can identify most with the role model as artist and those working in arts institutions. The self-definition “arts manager” was mostly common in Sub-Saharan Africa (46 percent) and Anglo America (41 percent) whereas in comparison only a notably smaller number of respondents from Latin America (16 percent) and North/South and Western Europe (13 percent) preferred that term.

The respondents were also asked to what extent they could identify with different functions/role models of arts/cultural managers. As can be seen in Figure 2 some functions/role models enjoyed noticeably greater popularity than others. Nearly three quarters of those questioned felt at least to a large extent related to being a “cultural educator” (73 percent) and more than two third to an “agent of change” (68 percent). Popular were also the characterizations “servant of the arts/artists” (60 percent) and “preserver/protector of cultural heritage” (59 percent). Comparatively less often, but nevertheless in a not to be underestimated degree, the respondents identified themselves with the functions/roles “fundraiser” (47 percent), “public/governmental arts administrator” (44 percent) and “artist” (42 percent).

**Figure 2. Roles/Functions**



Some functions/role models were named significantly often in certain regions. The ones who described themselves as “artists” mainly lived in Sub-Saharan Africa (71 percent) and to a much lesser extent in Middle East and North Africa (50 percent), while that self-characterizations were especially unpopular in ), Anglo-

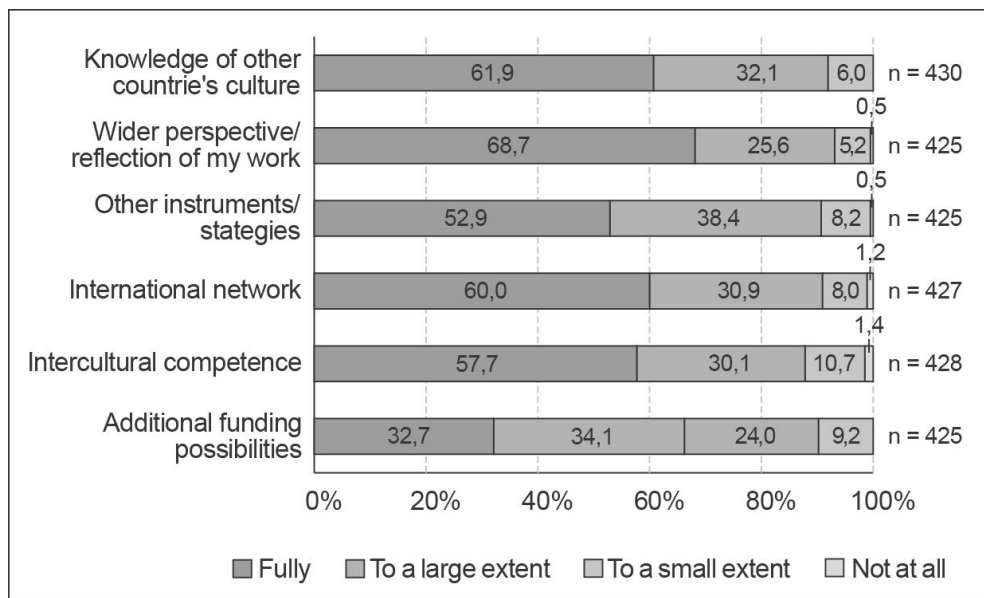
America (35 percent), North, South and Western Europe (32 percent) and Central and Eastern Europe (31 percent). The function/role “public/governmental arts administrator” was mainly chosen in Asia and Pacific as well as in Sub-Saharan Africa (between 50-60 percent) and the least chosen in North, South and Western Europe and Latin America (around 35 percent).

**International experience of the respondents and positive effects of international cooperation:** Gaining knowledge of the culture of another country and gaining a wider perspective/reflection of ones work are the most valuable benefits of international cooperation.

Roughly two thirds of those questioned stated to have experience with arts/cultural management in an international context (67 percent). Nearly 50 percent of them had worked in at least one other country besides the one they mainly lived in, only around 14 percent had worked in three or more countries. The language mainly used in international cooperation was English.

Those respondents who had experience with arts/cultural management in an international context were asked what advantages they saw in it. They found several benefits of working internationally equally applying to them. Quite all of them considered gaining knowledge of the culture of other countries (94 percent), gaining a wider perspective/reflection of my work (94 percent), gaining knowledge of other arts/cultural management instruments/strategies (91 percent) and establishing an international professional network (91 percent) at least to a large extent applicable. Also very important was the fact that they gained intercultural competence through working internationally (88 percent). In comparison identifying additional funding possibilities (e.g. EU-funding) did not play such a major role (67 percent) (see figure 3).

**Figure 3. Benefits of working internationally**



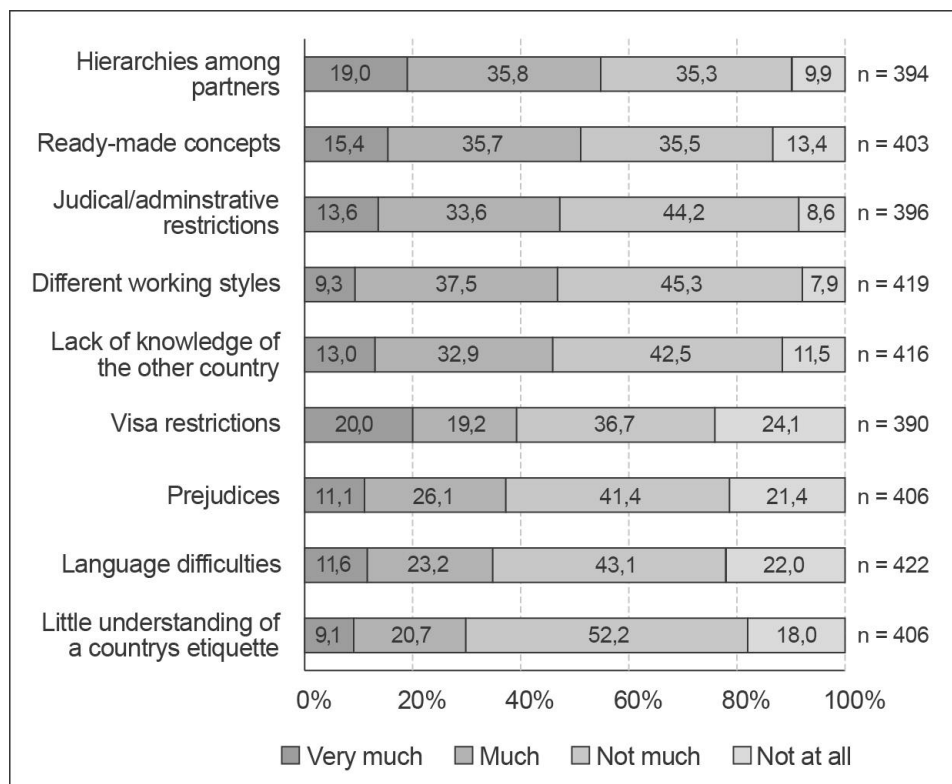
In context with this question the region where the respondents lived in did not have a statistically significant impact on their answers. But some differences between respondents who identified or did not identify themselves with certain roles/functions could be found. It was striking that the benefit of gaining knowledge of other arts/cultural management instruments/strategies tended to be especially important to the ones who identified themselves to a large extent with the role/function “public/governmental arts administrator”. Gaining

intercultural competences tended to have a greater importance to the ones who described themselves to a large extent as “agents of change”.

**Biggest challenges and difficulties in working internationally:** Hierarchies among partners and ready-made concepts ignoring specific national/local contexts were considered the most important issues – little understanding of country specific rules of etiquette was at least challenging.

In a ranking challenges and difficulties potentially applying to their international work the respondents saw less practical problems like (language difficulties or visa restrictions) but hierarchies among partners (e.g. unequal financial resources) (55 percent) and ready-made concepts ignoring specific national/local contexts (51 percent). In comparison practical difficulties arising from the framework conditions of concrete work situations, interpersonal contacts or the individual requirements of the persons involved were also important challenges and difficulties in their view but to a minor extent. Judicial/administrative restrictions (47 percent), different working styles (e.g. time management) (47 percent) and lack of knowledge of the other country (e.g. cultural history, current political situation, cultural traditions) (46 percent) were ranked the third, fourth and fifth largest issues. Visa restrictions (39,2 percent), prejudices (e.g. eurocentrism, orientalism) (37 percent), language difficulties (lack of language skills, different wording etc.) (35 percent) were considered less challenges and difficulties. At least problematic in the view of the respondents was little understanding of country specific rules of etiquette (e.g. social manners) (30 percent) – namely what traditionally inter-cultural training courses are usually focused on (see figure 4).

**Figure 4. Challenges and difficulties of working internationally**



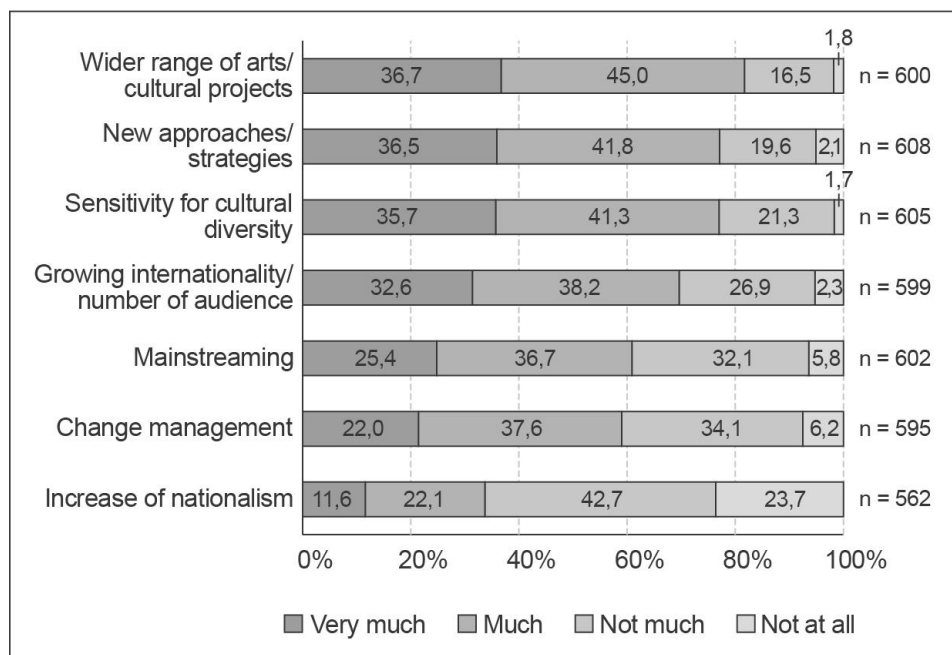
A deeper analysis of the data revealed some significant regional differences between the responses concerning challenges and difficulties that might occur while working internationally. The issue hierarchies among partners (e.g. unequal financial resources) was most important for respondents originating from Sub-

Saharan Africa (75 percent). In tendency that was also the case for the issue ready-made concepts ignoring specific national/local contexts (72 percent). The ones originating from Middle East and North Africa named the challenge/difficulty “visa restrictions” especially often (68 percent).

**Effects of internationalization on the cultural sector in the country the respondents lived in:** A generally positive evaluation of internationalization which is seen as an enrichment of the existing cultural life and cultural institutions by providing various stimulations.

In the view of the respondents an increasing internationalization primarily caused a wider range of arts/cultural projects (82 percent), the enrichment of the cultural sector by new approaches/strategies from other countries (78 percent) and an increased sensitivity for cultural diversity (77 percent). In their assessment, to a lesser extent, it also led to a growing international audience and number of participants in arts offerings (71 percent). In comparison deemed a process of change management in traditional cultural institutions due to intercultural influences to be lesser relevant (60 percent). To a lower degree the respondents noticed negative effects like a development toward cultural mainstreaming and globalization/loss of traditional and local culture (62 percent) and an increase of nationalism in their countries (34 percent) (see figure 5).

**Figure 5. Effects of internationalization**

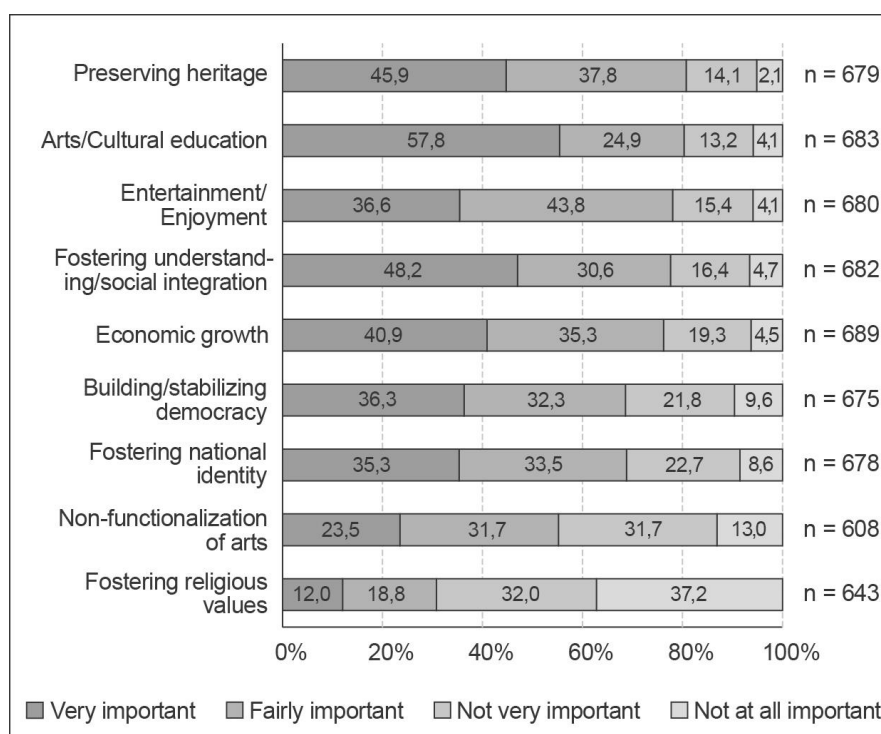


A deeper analysis of the data revealed significant regional differences between the responses concerning some of the observed effects. Cultural mainstreaming and globalization/loss of traditional and local culture were especially often named by those respondents originating from Sub-Saharan Africa (86 percent) and Asia and Pacific (75 percent). The process of change management in traditional cultural institutions due to intercultural influences was the least observed in Central and Eastern Europe (48 percent). In that region the effect on an increased sensitivity for cultural diversity also tended to be noticed to the least extent (65 percent).

**Central objectives of cultural policy in the countries the respondents lived in:** Preserving heritage and arts and cultural education were both estimated central objectives of cultural policy in the countries the respondents lived in; fostering religious values was the least important to respondents from Anglo-American countries and North, South and Western Europe.

The three most relevant aims of cultural policy for the respondents in their respective countries (at least fairly important) were preserving heritage (84 percent), arts and cultural education (83 percent) and entertainment and enjoyment (80 percent). Also very important from the respondent's point of view were fostering understanding between different groups within the population/promoting social integration (79 percent), economic growth (generating jobs, culture as location factor, tourism) (76 percent), building and stabilizing democracy (69 percent) and fostering national identity (69 percent). In comparison, ensuring that the arts are not functionalized (55 percent) and especially fostering religious values (31 percent) played a smaller role (figure 6).

**Figure 6. Aims of arts and culture**



While the three most relevant aims of cultural policy – preserving heritage, arts and cultural education and entertainment and enjoyment – seemed to be almost equally important across all regions, a deeper analysis of the data revealed significant regional differences between the responses concerning all the other aims. Fostering understanding between different groups within the population/promoting social integration was especially important to the respondents coming from the Sub-Saharan region (90 percent). In comparison, it was the least important in Central and Eastern Europe (63 percent).

Building and stabilizing democracy played a very large role in Sub-Saharan Africa (86 percent), Asia and Pacific (77 percent) and Middle East and North Africa (73 percent). It was also rated as the least important national cultural policy goal to those originating from Central and Eastern Europe (56 percent). Fostering national identity was the most important in Asia and Pacific (86 percent) and Sub-Saharan Africa (85



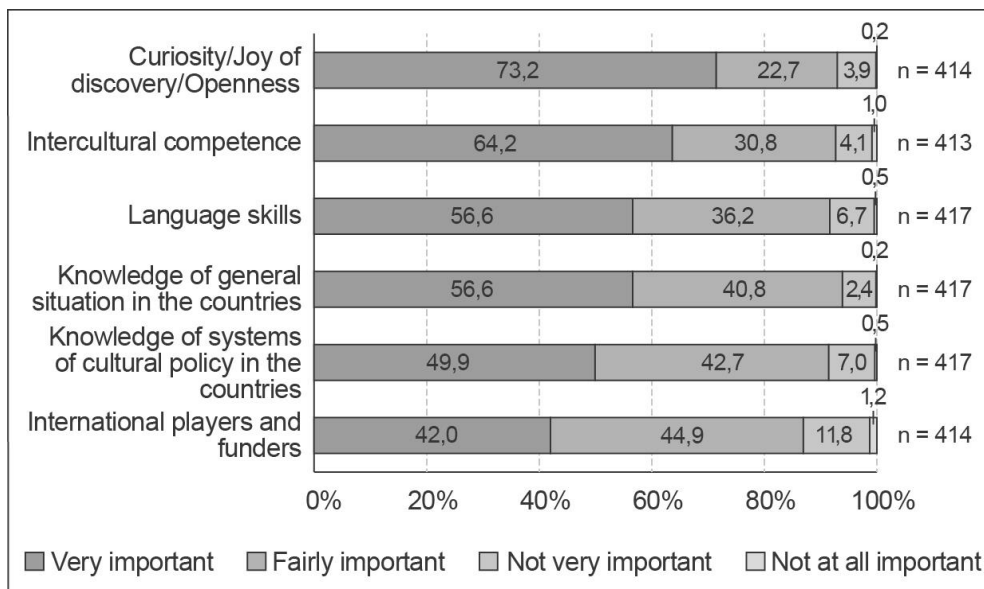
percent). Respondents from Anglo-America (60 percent) as well as from North, South and Western Europe (54 percent) considered this aim for cultural policy in comparison of minor importance.

The largest differences between the regions could be seen within the answers concerning the aim of cultural policy “fostering religious values”. While it was quite important in Asia and Pacific (51 percent), Sub-Saharan Africa (49 percent), Middle East and North Africa (44 percent) and Central and Eastern Europe (36 percent), it was substantially of minor importance in Latin America (25 percent) and North, South and Western Europe (18 percent) but especially in Anglo-America (9 percent).

**Most important competences for cultural managers working internationally:** Social competences like curiosity and openness were considered as even more important skills for working internationally than knowledge about the cooperating country.

The respondents assessed several skills for working in an international arts/cultural management context according to their importance. The most important one by far was a personal characteristic: curiosity, joy of discovery, openness – 73 percent of the respondents found it very important. Also very important from their point of view were intercultural competence (64 percent), language skills (57 percent), knowledge of the general situation in the country of the cooperating partner/s (historical, economical, social, political, judicial) (57 percent) and knowledge of the systems of cultural policy of the other country/countries (50 percent). In comparison – although nevertheless of great importance – was knowledge of international players and funders in the field of cultural policy (e.g. UN, UNESCO, EU) of lesser relevance (42 percent) in their opinion (see figure 7).

**Figure 7. Skills for working in an international arts/cultural management context**



**Training of arts/cultural management:** In the majority of the countries of origin of the respondents there are professional courses for arts/cultural management available, although especially in Middle East and North Africa mainly in the form of training courses; Acquiring an official certificate is not an important outcome of international cultural management trainings.

Particularly bearing in mind that the respondents found the individual educational background of the manager the second most important influence factor on the style, in which arts/cultural management is practiced, it was interesting to take a closer look at the training situation in the countries they lived in. Slightly

more than two thirds of the ones questioned (67 percent) indicated that there are courses for arts/cultural management in their country at universities. Nearly 50 percent stated that there are (also) advanced training courses.

Only in a few countries no training possibilities at all were offered. This is certainly (also) due to the increasing establishment of cultural management training courses in the context of cultural diplomacy and development support, provided by for example by the Goethe Institut, the British Council, the Institut Français, and the American University. Especially in Middle East and North Africa as well as in Central and Eastern Europe a large number of the ones who answered (around 77 percent) stated that there was a maximum of only one of those opportunities offered in their country, if at all.

A majority of those questioned had taken part in at least one professional training course on arts/cultural management with an international focus (65 percent). Asked for an evaluation to what extent different possible outcomes of these training courses applied to them unsurprisingly almost all of the respondents stated that they hoped to gain knowledge of arts/cultural management instruments/strategies (92 percent). Also very important to them was the opportunity to establishing an international professional network (73 percent). In comparison the least important outcome was acquiring an official certificate (42 percent). That outcome was especially important to those who originated from Middle East and North Africa (60 percent) with only very few arts management training possibilities, while it was the least important to those originating from the cluster Anglo-America (22 percent).

**Literature on arts/cultural management:** More than half of the respondents use literature on the subject of cultural management from other countries than their own, mainly from USA and GB.

Nearly 60 percent of the respondents stated that there is literature in their own language, around 24 percent answered this question in the negative. The fact that 17 percent did not know whether there was such literature in the country they live in, indicates that arts/cultural management as a field of work does not focus much on theory. Instead, learning by doing seems to play the predominant role. Especially respondents from the cluster Anglo-America (82 percent), North, South and Western Europe (71 percent) and Latin America (73 percent) stated that such literature was available in their country.

At this point, it is important to mention that 45 percent of the ones questioned said they used literature from the country they live in, while 51 percent said they worked with literature from another country, but only 21 percent used both sources. Literature on cultural management from other countries, which the respondents used, mainly originated from countries within the region Anglo-America (89 percent), followed by Germany (22 percent), France (14 percent) and the Netherlands (11 percent) with much lower values.

Not surprisingly, especially respondents originating from the cluster Anglo-America used literature from the country they lived (73 percent). In North, South and Western Europe, Middle East and North Africa and Sub-Saharan Africa literature from their own country and literature from another countries was used to nearly the same extent.

**Standards and strategies of arts/cultural management:** Despite the dominance of literature originating from Anglo-America, the majority of the respondents does not think that the same set of arts/cultural management instruments/methods exists all over the world.

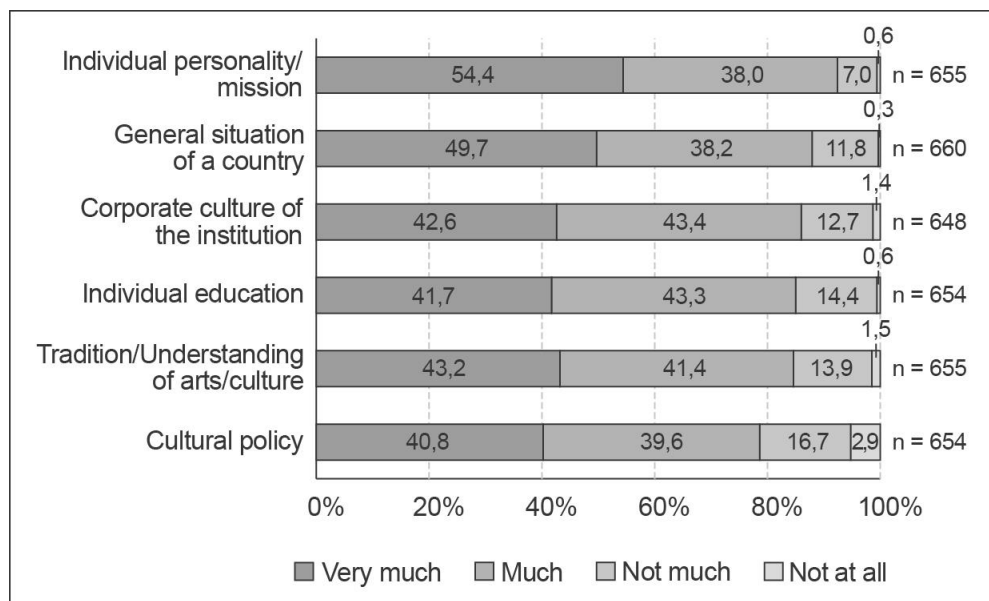
Given the Anglo-American dominance of the offering of literature the question arose whether that leads to the understanding that the same set of “globalized” arts/cultural management instruments/methods exists all over the world. The majority of the respondents rejected the idea (65 percent), while slightly more than one third was at least tending to be in agreement with the premises. The idea of a “global arts management” set found the least acceptance in Latin America (79,4 percent), Anglo-America (72,9 percent) and North, South and Western Europe (69,3 percent); the level of rejection was at a lower level in Middle East and North

Africa (65,7 percent), Sub-Saharan Africa (59,1 percent), Central and Eastern Europe (53,8 percent) and Asia and Pacific (53,4 percent).

**Influence factors on the style, in which arts/cultural management is practiced:** The individual personality and mission of the individual manager and his or her educational background were considered the most important influence factors on the style, in which arts/cultural management is practiced

Nearly all respondents regarded the personality and mission of the individual manager a more important influence factor (92 percent) than national or institutional framework conditions of their work. The individual educational background of the manager (85 percent) played a very important role in their view, too. Nevertheless, also the general situation of a country (historical, economical, social, political, judicial) (88 percent), the corporate culture of the institutions involved (86 percent), national/regional/local tradition and understanding of arts/culture (85 percent) and national/regional/local cultural policy (80 percent) were seen as important influence factors (see figure 8).

**Figure 8. Influence factors on the style of arts/cultural management practice**



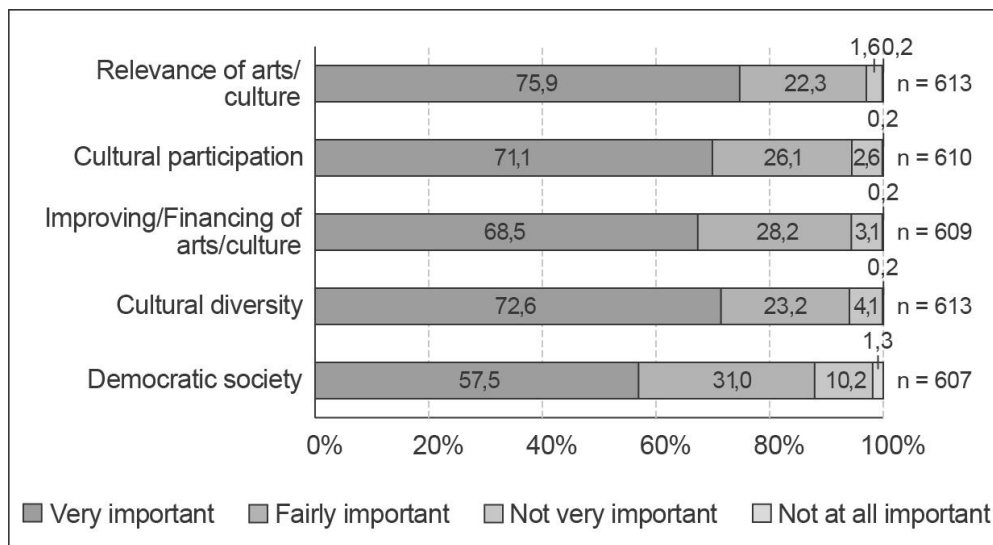
A deeper analysis of the data revealed again regional differences: The influence factor national/regional/local tradition and understanding of arts/culture was most important for respondents originating from Asia and Pacific (65 percent) and Sub-Saharan Africa (59 percent), while it played a much lesser role in Central and Eastern Europe (31 percent). In comparison the influence factor national/regional/local cultural policy tended to be the least important in Central and Eastern Europe, too (76 percent). The individual educational background of the manager tended to be an especially important influence factor to the respondents coming from Sub-Saharan Africa (94 percent).

**Future goals and tasks of arts/cultural management:** Hardly any differences between the respondents according to their estimation that enlarging the relevance of arts/culture in society and encouraging cultural participation in all groups of the population were the key future aims of cultural management.

At the end of the survey, respondents gave their opinion about several future goals and tasks for arts/cultural managers. They gave highly similar answers to that question. In the opinion of almost all of the ones

questioned enlarging the relevance of arts/culture in society (98 percent), encouraging cultural participation in all groups of the population (97 percent), improving arts institutions and the financing of arts/culture (97 percent) and promoting cultural diversity (96 percent) were equally extremely important. In comparison – although still being a very important future goals and tasks – building and strengthening a democratic society was of lesser importance (89 percent) (see figure 9).

**Figure 9. Future goals and tasks for arts/cultural managers**



In context with this question the region the respondents lived in had statistically significant impact on only one answer. Building and strengthening a democratic society was tended to be considered most important by respondents from Sub-Saharan Africa (96 percent) and Middle East and North Africa (95 percent) and of least relevance by the ones originating from Central and Eastern Europe (81 percent). Naturally, that specific benefit was also of special relevance for those respondents who identify themselves strongly with the role/function “agent of social change” (92 percent).

## Conclusion

The goal of the project has been to gain a better knowledge of the mind sets, goals and practices of arts managers worldwide and about their experiences made in international cooperation. What can we learn from the results of our empirical research about our main research questions?

### How do arts/cultural managers in different countries view themselves and what role-models do they identify with?

Different from our hypothesis that role models in cultural management are very much influenced by national cultural policy and institutional structures, there are hardly any country specific differences in preferences for a certain role model, connected to the main mission of a cultural manager: A clear majority votes for the cultural educator and agent of social change, which are role models, where cultural managers take over societal responsibility instead of only managing an arts institution efficiently.

But: Cultural managers in developing countries with a weak democracy tend to understand themselves even more often as an agent of social change and pursue stronger political goals than cultural managers e.g. in Western European countries who tend to emphasis more on arts intrinsic values.

**To what extent does the region they live in, influence their work and what other factors influences the style, in which arts/cultural management is practiced?**

One of the most striking and unexpected results of the study is that a clear majority of respondents is convinced that the working style and mission of cultural managers are less defined by country specific influences like the system of cultural policy and politics or the understanding of arts and culture in a certain region, but mostly by the individual personality or cultural manager and his/her educational background, which was rated also more important as the organizational working context. Even though the political structure, especially in countries with instable political circumstances, has a big influence on working conditions of cultural organizations and programs, the working styles of the individual cultural managers seems to be much more influenced by their individual values and missions.

**Is there a standardized global set of arts/cultural management tools?**

A majority of the consulted cultural managers is convinced that there is no standardized global set of arts/cultural management tools, e.g. derived from business management, which is practiced in the same way all over the world. Instead they believe that the way how arts and culture are managed depends on many context specific aspects and mostly on the personality of the individual cultural manager.

**What kind of differences and similarities can be found in executing arts management in different countries and regions?**

It became obvious that in some countries with a less structured and financed cultural infrastructure there is also a lower grade of specialization in cultural work. That means that the profession of a "cultural manager" is even more difficult to define, as many cultural workers have to do different work as artist, manager, educator, political activist at the same time. In many countries cultural managers who work in NGOs, in grass root projects and as freelancer are less specialized and need to execute different roles at the same time. In seems that in some countries with a low standard of public cultural policy and funding, international cooperation is needed for the survival of arts and cultural management in general. In wealthy countries like Germany experiences gained in international cooperation, seem to be more important for the development of intercultural competences that are also needed for dealing with different societal groups and changes due to migration within the country.

**What are the main challenges and problems and what are the main outcomes in international cultural cooperation and training?**

Main challenges in international cooperation are, according to the respondents, not so much technical problems like Visa restrictions and language problems or little understanding of country specific rules on how to behave, but mostly the personal relationships between cultural managers: Hierarchical relations between partners from richer or poorer countries and different working styles proved to be most problematic. The most important outcomes of working internationally were again on a rather personal level: a new perspective on ones own work due to experiences in a different context.

**How is an increasingly international and intercultural arts and cultural sector changing national concepts for arts/cultural management?**

An overall result of the study is that there were very similar estimations on goals, outcomes, role models, biggest challenges in cultural management and the cultural sector beyond national identity of the respondents and despite country specific challenges. This could indicate that internationalization leads to a worldwide similar type of cultural manager and the area or arts and culture is becoming more similar in different regions due to international exchange of art/cultural workers and cultural managers. The majority of

the respondents value this internationalization as a positive development that enriches the cultural life at home.

### **Which training models in cultural management proved to be successful in which way?**

Most important is not the knowledge of skills and instruments but rather a mind set of openness and coping with uncertainty. The fact that the individual personality is rated that important is a hint that also in cultural management training one should have a stronger emphasis on the personal development of the individuals including the ability of coping with uncertainty. This could be improved by selecting heterogeneous students from different countries and social milieus, avoiding ready-made concepts but being open for new ideas and challenges, include project learning where students can experience real life conditions and find out about own strength and weaknesses. Programs which offer context specific learning by a reflective doing rather than by only teaching standardized tools are very likely most successful in preparing students for a future career in international cultural management.

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## Cultural Capitals in Asia: Mirroring Europe or carving out its own concept?<sup>2</sup>

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### Introduction

In Europe, the concept of designating an annual *European City of Culture* (ECOC) was first formulated in the mid-1980s. It was Melina Mercouri, then Greek Minister of Culture, who proposed the scheme, and in 1985 Athens became the first of a large list of over fifty cities to be in the European cultural limelight for the period of a year. The aim of the initiative was to bring Europeans closer together by highlighting the richness and diversity of European cultures and raising awareness of their common history and values. Over the years the scheme consolidated and soon developed complex administrative procedures, cities are able to access considerable sources of European, regional and national funding, and there is keen competition among cities to become an ECOC.

In East Asia<sup>3</sup>, the cultural capital/city phenomenon is more recent. Several cities in the Philippines were labelled *First ASEAN Cultural Capital* for Southeast Asia for the biennium 2010-11<sup>4</sup>. Among the scheme's main objectives were strengthening of the regional identity, raising ASEAN's profile, and promoting the growth of the region's creative industries. Subsequently, Singapore, the Vietnamese city of Huế, and Brunei's capital, Bandar Seri Begawan, were designated *ASEAN Cultural Capitals* for respective biennia. In Northeast Asia, Yokohama in Japan, Gwangju in South Korea and Quanzhou in China were the first nominated *East Asia Cities of Culture* in 2014. In the succeeding years, another six cities in Northeast Asia received that distinction<sup>5</sup>.

Despite bearing similar names and sharing some aims, the implementation of the initiatives in the two parts of the world has been substantially dissimilar. In Europe the ECOC status commonly constitutes an opportunity to showcase the best of the arts and culture of the host city/country and counts on the support of sizable public funding. In Southeast Asia, the initiative scarcely receives any public or regional funds and the understanding of what the designation means varies widely from country to country. In Northeast Asia, regional diplomacy is one of the main motivations for initiating the scheme.

The following pages seek to shed some light on the recent *Cultural Capital/Cities* schemes currently being forged in the East Asia region, as well as on the motivations for these countries to develop them now. The paper also aims to investigate to what extent ASEAN in Southeast Asia, and China, Japan and South Korea

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<sup>2</sup> For the purpose of this paper, the term "Asia" specifically refers to Northeast and Southeast Asia, the only two Asian sub-regions that have sustained "cultural capital/cities" initiatives for a continuous number of years. Other schemes such as the *Capitals of Islamic Culture* and the *Arab Capital of Culture* have at times nominated cities in the wider Asian region, but always in alternation and/or in conjunction with cities from other regions such as Africa and the Middle East.

<sup>3</sup> The term "East Asia" used throughout the paper refers specifically to China, South Korea and Japan in Northeast Asia, and to the 10 Southeast Asian countries members of the *Association of Southeast Asian Nations* (ASEAN). Together, these 13 Asian countries form the *ASEAN Plus Three* (APT) alliance, the region's most consolidated geostrategic process of multilateral cooperation, that acts in many areas, including political, security, economic and socio-cultural. The notion of East Asia grouped around the APT process has aroused enormous interest over the last two decades, not only due to the geostrategic weight of some of the countries it includes and because it hosts over 30% of the world's population, but also because it is a process that is perceived as stable and a catalyst for other key alliances and collaborative processes in the Asian region.

<sup>4</sup> As of 2016, ASEAN, the *Association of Southeast Asian Nations*, has a membership of 10 countries: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.

<sup>5</sup> These cities are: in 2015, Niigata (Japan), Cheongju (South Korea), and Qingdao (China); in 2016, Nara-ken (Japan), Jeju (South Korea), and Ningbo (China); and designated for the year 2017, Kyoto (Japan), Daegu (South Korea), and Changsha (China).



in Northeast Asia are simply trying to replicate or model the consolidated European model, carving their own concepts, or creating hybrid schemes.

### **1. Capitals of Culture: A very European concept**

The notion of a temporary regional cultural capital has its origin in the mid-1980s when Melina Mercouri, then Greece's Minister of Culture, came up with the concept of designating an annual European City of Culture. Europe, via its then Council of Ministers of the European Community, launched the first European City of Culture programme in 1985 in Athens (the format was renamed *European Capital of Culture*, ECOC, in 1999) (European Communities, 1985). The initiative is designed to bring Europeans closer together by highlighting the richness and diversity of European cultures, celebrating the cultural features Europeans share, increasing European citizens' sense of belonging to a common cultural area, and fostering the contribution of culture to the development of cities. Initially conceived under a year-a-city scheme, since 2001 the designation is given to two cities a year, with a rotation of countries to ensure fairness (European Commission, 2016a). To date, 54 cities in Europe have at some point been designated ECOC. For the year 2016, Donostia-San Sebastián (Spain) and Wrocław (Poland) hold the designation, and eight other cities in eight countries (Denmark & Cyprus 2017; Netherlands & Malta 2018; Italy & Bulgaria 2019; Croatia & Ireland 2020), have already been appointed ECOC until the year 2020.

Although outcomes vary depending on the city implementing the scheme, in general, the ECOC is considered a successful initiative and several reports have demonstrated its overall positive impact on the appointed cities<sup>6</sup>. Also, according to the European Commission, the ECOC can be a good opportunity to: regenerate cities (in Kosice 2013, private sector and local universities worked together to transform its industrial past into a creative and cultural hub for the Carpathian Region); create economic growth (in Lille 2004 each euro of public money invested generated 8 euros for the local economy); boost tourism (Pécs 2010 experienced a 27% increase in overnight hotel stays); build a sense of community (Liverpool 2008 had nearly 10,000 registered volunteers and all schoolchildren in the city participated in at least one activity during the year); enhance the image of cities in the eyes of their own inhabitants (Linz 2009's neighbourhoods across the city set up their own cultural events, generating works in such unusual venues as shop windows and tunnels under the city); breathe new life into a city's culture (Mons 2005 inaugurated 5 new museums, 2 new concert halls and 1 conference centre), and raise the international profile of cities (Stavanger 2010 established cultural collaborations, co-productions and exchanges with more than 50 countries) (European Commission, 2016b).

Despite this overall positive outlook for the ECOC, the efficiency of the scheme and its ability to fulfil its aims has also been questioned at times. For instance, in 2004, a report on "European Cities and Capitals of Culture", prepared for the European Commission by *Palmer/Rae Associates*, raised questions about the economic benefits and long-term impact of the Capital of Culture/City of Culture concept (Palmer/Rae Associates, 2004). In the report, the authors affirmed that "in many cities there was a sense that the full potential of the event had not been realised" [... and] "the huge levels of investment and activity they generated rarely seem to have been matched by long-term development in the city." (Palmer/Rae Associates, 2004: 146)

A lot has been written about the ECOC initiative in the last few years. Apart from different periodic reports analysing the scheme, several monographic publications and even books exclusively dedicated to the topic (see, for instance, Patel 2013), each year the European Commission publishes evaluation reports on the designated cities. There is no shortage of information, data and reviews on the European scheme, and

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<sup>6</sup> For instance, the 1994 report *European Cities of Culture and Cultural Months* by John Myerscough, commissioned by the *Network of Cultural Cities of Europe* with the support of the *European Commission*, concluded that the scheme has "produced an energetic and imaginative response which reinforces the role of the cities as cultural entities".

indeed it is not the purpose of this paper to further on those analyses. To highlight some of its main features in order to allow a basic comparison with its Asian counterparts might be more pertinent, considering in particular the asymmetry of the information available:

**Competition to be the chosen ECOC:** it occurs first at the national level in the form of bids, and the final selection is done by an international panel of experts in the cultural field. For instance, in the 2016 Spanish candidacy, up to sixteen cities presented a first bid; they were reduced to a shortlist of six, before the panel ultimately chose Donostia-San Sebastián as the Spanish's ECOC 2016.

**Forward planning:** European countries know well in advance when their turn comes to launch their first bid for their cities to become ECOC (since a Council resolution passed in 2014, European countries know now the allocation of future ECOC countries all the way up to the year 2033) (European Union, 2014); six years before the title-year the host member state publishes a call for applications and cities can submit a proposal for consideration; designated cities receive the final confirmation at least four years in advance in order to allow them ample time to prepare (European Commission, 2016a).

**Substantial financial support from institutions:** each designated city has the opportunity to receive €1.5 million from European funds via *The Melina Mercouri Prize*<sup>7</sup>, provided it fulfils a set of conditions. Cities usually receive significant national and regional funding too (e.g. for Galway 2020, the latest ECOC to be awarded the designation, the Irish government earmarked €15 million on top of the European funds) (Tipton, 2016).

**Supervision and Monitoring:** designated cities need to align as much as possible with the vision, objectives, strategy programme and budget as proposed during the bid. The independence of the artistic team must be appropriately respected as well, and the European dimension of the programme needs to remain prominent. Monitoring tools and arrangements for evaluations need to be put in place by the selected cities and they need to provide a report. Failure to do this can put the release of some of the funds in jeopardy.

**Potential for socio-economic development and cultural transformation:** while during its first fifteen years of existence the scheme focused on big and established cities with existing cultural infrastructure and heritage worth celebrating, often capital cities, such as Berlin (1988), Paris (1989), Dublin (1991), Madrid (1992), Lisbon (1994), and Copenhagen (1996), with the turn of the millennium the focus turned towards less prominent cities. These are cities for which the ECOC title has the potential to boost their cultural, social and economic development: through culture and art, these cities can raise their international profile, improve quality of life, strengthen their sense of community, create economic growth and boost tourism, and initiate regeneration, among other positive outcomes. Being an ECOC can bring “fresh life to these cities” putting them “at the heart of cultural life across Europe” (European Commission, 2016b).

## **2. Capitals of Culture: Diversity of international approaches**

After the initial boost provided by the European initiative, some other regions, sub-regions and even countries took on the idea and started organising their own *capital/city of culture* schemes, to some extent inspired on the European one. In this way, the *Arab Capital of Culture* is an initiative started by the *Arab League* under the *UNESCO Cultural Capitals Program* to promote and celebrate Arab culture and encourage cooperation in the Arab region. Since the initiative was set up in 1996, when Cairo was designated the first Arab Capital of Culture, 21 cities have been selected *Arab Capital of Culture*. Sfax, in Tunisia, has been the latest city nominated for the title in the year 2016 (Cultural Diplomacy News, 2016). The *Islamic Educational, Scientific and Cultural Organisation* (ISESCO), an organisation based in Rabat, Morocco, has appointed *Capitals of Islamic Culture* since 2005. To date, 34 cities in Africa, the Middle East and Asia have been

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<sup>7</sup> For more information on *The Melina Mercouri Prize* please visit: EUROPEAN COMMISSION. *European Capital of Culture 2020-2033: Guide for cities preparing to bid*, Brussels, December 2014: 17.

awarded the title. In the year 2016, Kuwait, Malé (Maldives), and Freetown (Sierra Leone) received the distinction (Isesco, 2016).

For the Latin American region, at least two organisations propose cultural capitals. The non-governmental *Unión de Ciudades Capitales Iberoamericanas* (UCCI), based in Madrid, Spain, has nominated cultural capitals in Ibero-America since 1991, when Bogota, Colombia, was granted the title (Ayuntamiento de Madrid, 2015). The also non-governmental organisation *American Capital of Culture* was launched in 1998 by the *International Bureau of Cultural Capitals* (IBOCC), it is recognised by the *Organization of American States* (OAS), and annually selects a city in the Americas since the year 2000 to serve as the *American Capital of Culture* for a period of one year. Valdivia in Chile was the city nominated for the year 2016 (Capital Americana de la Cultura, 2016).

In Brazil, the initiative *Capital Brasileira da Cultura* (CBC) was created to “fomentar o desenvolvimento social e econômico dos municípios brasileiros, através da valorização e promoção de seu patrimônio e diversidade cultural”<sup>8</sup>. The initiative lasted from 2006-2011. *Cultural Capitals of Canada* was a programme (2003-2012) that recognised and supported Canadian municipalities for special activities that harness the benefits of arts and culture in community life. 42 communities were recognised as *Cultural Capitals of Canada* over the lifetime of the program (Government of Canada, 2013).

Despite the abundance of international precedents, the notion of an award to honour one or several *capitals/cities of culture* for a limited period of time only materialised in East Asia in recent years<sup>9</sup>. Until the 2010s there was no similar initiative to the European one in the region. Despite its relative newness, in the last seven years over 20 cities have already been designated *capitals/cities of culture* in the region and several others are in the pipeline for future nominations. What reasons are behind this apparent recent Asian enthusiasm for the scheme? Are the Asian countries and regions just trying to replicate or transplant what could be perceived as positive models into their geopolitical landscapes? Or on the contrary, are they carving their own models that just happen to bear a similar name? Are they perhaps adapting the European concept to their local realities, hence creating hybrid schemes?

### **3. ASEAN City of Culture**

Chronologically the first attempt to set up a “cultural city/capital” scheme in East Asia belongs to the ten Southeast Asian countries part of ASEAN, the Association of Southeast Asian Nations. March 2010, at the 4<sup>th</sup> AMCA Meeting in Clark, Philippines (AMCA stands for ASEAN Ministers Responsible for Culture and Arts), saw the inauguration of Southeast Asia’s very first *ASEAN City of Culture*. According to the official documentation, the broad objective of the initiative is “to strengthen the ASEAN identity and raise the profile of ASEAN in the region and internationally, to celebrate ASEAN arts and culture and promote the growth of the region’s creative industries, and to promote People to People Engagement e.g. among practitioners, next generation artists, and the public, cultivating long-lasting friendship among the people of ASEAN.” (ASEAN, 2010).

The AMCA ministers decided to grant the inaugural honorific title *ASEAN City of Culture* for the 2010-11 biennium to the city of Clark, Angeles, in Pampanga, itself host city of the AMCA meeting. Although it was not mentioned in the initial official ASEAN documentation, later the label *ASEAN City of Culture* was extended to at least another ten cities in the Philippines. The city-state of Singapore took over from the

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<sup>8</sup> “to foster social and economic development of Brazilian municipalities, through the development and promotion of their heritage and cultural diversity”, [capitalbrasileiradacultura.org](http://www.capitalbrasileiradacultura.org/cbc/) (2014). *Capital Brasileira da Cultura* [online] Available at: <http://www.capitalbrasileiradacultura.org/cbc/> [Accessed 8 Aug. 2014].

<sup>9</sup> The *ASEAN City of Culture* concept was first discussed and adopted at the Third Meeting of AMCA (*ASEAN Ministers Responsible for Culture and Arts*) on 12 January 2008 at Nay Pyi Taw, Myanmar, and was launched in 2010 in Clark, Angeles, Pampanga, Philippines. Kuala Lumpur, capital of Malaysia (2009), and Jakarta, capital of Indonesia (2011) were nominated *Capitals of Islamic Culture* in 2009 and in 2011 respectively.

Philippines as holder of the honorific title in 2012. In the framework of the 5<sup>th</sup> AMCA meeting, Singapore was designated *ASEAN Cultural City* for the period 2012-13. Two years later, the relatively small city of Huê in central Vietnam, former capital of the country from 1802 until 1945, was subsequently named *ASEAN City of Culture* for the biennium 2014-15; and of late, Bandar Seri Begawan, Brunei's capital city, and host to the 7<sup>th</sup> AMCA meeting in August 2016, has been the latest city in ASEAN granted this honorific label, in its case for the period 2016-17. Below are some of the main characteristics of the Southeast Asian scheme:

#### ***Honorific title without competition***

One of the first features that draws attention from the Southeast Asian's cultural city initiative, especially when compared with its European counterpart (but also, as subsequently will be shown, when compared with the scheme put forward by ASEAN's Northeast Asian neighbours), is the lack of competition to receive the honorific label. The *ASEAN City of Culture* designation is to date solely based on the fact that the chosen city serves as the host to an AMCA meeting. In that sense, the designation acts more as an honorific title transiently awarded to a city/country that happens to host a strategic meeting, than a planned or mindful effort to select the most suitable location to proudly represent its country and the region for two years. As noted above, the designated city is meant to "raise the profile of ASEAN in the region and internationally" and "promote the growth of the region's creative industries". However, the Southeast Asian cities do not need to bid or present attractive candidacies to fulfil these objectives to be the "chosen ones": the fate of being awarded the title is in the hands, for the time being, of a rotational administrative process.

#### ***Lax interpretation of what the title ASEAN City of Culture means***

According to the official documentation released by ASEAN in March 2010, the designated *ASEAN City of Culture* for the period 2010-11 was Clark, Angeles, in the region of Pampanga, Philippines. However during the biennium, several other Filipino cities were also awarded (in some cases even unofficially) this honorific title. In a January 2010 press release by NCCA (Philippines's own National Commission for Culture and the Arts), two months before the official nomination took place, it was stated that "The Philippines [as a whole country] has been recognized as the 'cultural capital' of the Association of Southeast Asian Nations (ASEAN) for 2010 and 2011." (Ifacca, 2010). AMCA, however, in its official Joint Media Statement celebrated later underscored the appointment of Clark in Pampanga as "the host venue for the 4th AMCA meeting, as the inaugural ASEAN City of Culture" (ASEAN, 2010).

Since then, the honorific title changed hands (or was shared) several times before the end of the Philippines' term: in July 2011, barely five months before the end of the allocated biennium, the Filipino press reported the news that Cebu, the Philippines' second city, had also been awarded the *ASEAN City of Culture* title "in lavish ceremonies [...] in various areas around the city" (Interaksyon, 2011). The solemnity of the act was vindicated by the fact that "Ambassadors of six Association of Southeast Asian Nations (Asean) member states stood witness as Mayor Michael Rama accepted a certificate from Asean ministers of culture and the arts conferring the title 'City of Culture' for two years on Cebu City." (Codilla, 2011). Surprising as this may seem, the designation of Cebu as *City of Culture* was not an isolated case. As recorded in the Official Gazette of the Republic of the Philippines of July 20, 2011 and reported by several media outlets, Cebu was not only joining Clark in Pampanga but also other Filipino cities such as Manila (the country's capital), Angono in Rizal, Tarlac City, Batangas City, Roxas in Capiz, Tagbilaran in Bohol, Cagayan de Oro in Misamis Oriental or Dapitan in Zamboanga (Philippine Government, 2011)<sup>10</sup>.

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<sup>10</sup> Apart from the cities listed above, other sources mention cities such as Santiago City, Isabela, "which staged the Patarraday Festival", manilatimes.net (2010). *Angono, Rizal is focal Asean Culture Capital site for August*. [online] Available at: <http://www.manilatimes.net/lifestyle/24070-angono-rizal-is-focal-asean-culture-capital-site-for-august> [Accessed 15 Aug. 2013].

While the Philippines decided to disseminate the title among some of its many islands, Singapore kept it tight within the city-state to the extent that the honour hardly left the island: Singapore *ASEAN City of Culture* 2012-13 played a minor role in the country's otherwise rich cultural scene. Despite the fact that its original aims of "raising the profile of ASEAN in the region and internationally" and "promot[ing] the growth of the region's creative industries" remained unchanged for this biennium (ASEAN, 2012), Singapore chose to downplay the initiative and its visibility was reduced to: a logo designed to commemorate the occasion; a Facebook page that struggled to go beyond the barrier of 100 'likes' (Facebook.com, 2016) and remained mostly dormant, with an average of 2-3 posts per month; and a modest range of events, some with a strong ASEAN component such as an *ASEAN Puppetry Festival*, an *ASEAN Museum Directors' Symposium*, and an ASEAN Youth Camp, but some others such as exhibitions or generic festivals that had little to do with the abovementioned aims for the initiative or even had little Southeast Asian dimension<sup>11</sup>. For the duration of the *ASEAN City of Culture*, Singapore remained ambiguous in its engagement and chose to keep a low profile for the regional cultural initiative, and that was despite the fact that only in 2012 the country invested \$209.7 million in the Arts (Ministry of Finance Singapore, 2013).

Where Singapore opted to downplay the inherited *ASEAN City of Culture* title but nurtured it to keep it alive, the initiative visited Huê city in 2014 and left the Vietnamese city without leaving much of a trace. The designation was mentioned at the Joint Media Statement endorsed by the 6<sup>th</sup> AMCA Meeting in April 2014 (ASEAN, 2014), received some initial attention by the Vietnamese press, and included the hosting of the *ASEAN Festival of Arts*, an event organised every two years alongside every AMCA summit. In Huê city, AMCA also decided to promote culture as a pillar of sustainable development and agreed in principle on the draft of the *Hue Declaration on Culture for ASEAN Community's Sustainable Development*. Despite this initial enthusiasm, linked to the hosting of the AMCA meeting, very little more transpired of the type of activities Huê city implemented or attached to its designation as *ASEAN City of Culture* during the rest of its biennium.

### ***Lack of planning, institutional monitoring, reporting and funding***

While ASEAN provides an institutional framework to the *ASEAN City of Culture* initiative for it to exist, the association's contribution ends there. After the title is conferred to the AMCA meeting host city, little monitoring, supervision or even evaluation of the scheme is performed by or encouraged by ASEAN. As a matter of fact, often the only official mention to the scheme occurs two years later on the occasion of the ensuing AMCA meeting; and it is done with vague joint media statements and without specific mention to the initiative's challenges, achievements or even outcomes. The *ASEAN City of Culture* initiative therefore remains a low priority for ASEAN and in general lacks direction, monitoring and supervision.

This is equally the case with reference to funding. ASEAN does not provide any kind of funding to the designated *ASEAN Cities of Culture*, and the financial responsibility is left in the hands of the city itself and, if applicable, of the host country. In a 2013 interview with Ms. Eva Salvador, head of the *Cultural Centre of the Philippines'* Education department and member of the organising committee of the 1<sup>st</sup> *ASEAN City of Culture* project, when asked about the initiative's funding schemes, she affirmed that "while there is no budget coming from the ASEAN fund itself, the member states agreed to spend for it exclusively, or better yet, to combine it with some existing ASEAN events"<sup>12</sup>. In an interview two years later with Mr. Nestor O. Jardin, former president of the same *Cultural Centre of the Philippines*, he acknowledged that among the biggest challenges to this project's success was the lack of funding from ASEAN, which made it difficult for a proper implementation. Apart from ASEAN, Jardin also pointed at the different host countries that "should contribute

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<sup>11</sup> A non-exhaustive list of events can be found at [mccy.gov.sg](https://www.mccy.gov.sg), (2014). *Culture, heritage and the arts as a way to promote the cultural identity of ASEAN*. [online] Available at: [https://www.mccy.gov.sg/news/press-releases/2014/6th\\_ACMA.aspx](https://www.mccy.gov.sg/news/press-releases/2014/6th_ACMA.aspx) [Accessed 14 Aug. 2016].

<sup>12</sup> Interview with Ms. Eva Salvador, Head, Education Department, Cultural Centre of the Philippines (CCP), 20 August 2013.

with more resources (public and private) so that the project can achieve its objectives and become sustainable in a medium/long term”<sup>13</sup>.

#### **4. East Asia Capitals of Culture (EACC)**

In Northeast Asia, Japan, China and South Korea have organised the *Trilateral Culture Ministers Meeting* since 2007. These culture ministers meetings<sup>14</sup> aim to promote trilateral cultural exchanges and cooperation on cultural activities among the three Northeast Asian countries (Trilateral Cooperation Secretariat, 2016), in order, among other objectives, to “promote the peaceful coexistence, stability and prosperity of the three countries” (Trilateral Culture Ministers, 2007). The first of the meetings took place in Nantong, China, in September 2007, and to date another seven meetings have followed, the latest in Jeju, South Korea in August 2016. In the framework of these meetings, the ministers of culture of the northeast Asian countries signed in 2012<sup>15</sup> the *Shanghai Action Plan of the Trilateral Cultural Ministers' Meeting (2012-2014)* to strengthen cultural exchanges among the three countries. One of the key initiatives outlined in the Shanghai Action Plan was the annual appointment of “East Asian Cultural Cities”. This materialised two years later when three northeast Asian cities, Yokohama (Japan), Quanzhou (China) and Gwangju (South Korea), were designated *East Asian Cultural Cities* (EACC) (The Japan Times, 2013), in an initiative that according to Mr. Cai Wu, then China’s Minister of Culture, was meant to “boost cooperation [...] in multiple fields” (CCTV, 2013).

Through the EACC initiative, Japan, South Korea and China committed to “upholding common values as East Asian countries and placing priority on exchanges, the convergence of cultures and the appreciation of other cultures” (Trilateral Culture Ministers, 2013). That translated in the year 2014 to a wide range of cultural activities initiated in each of the cities, and that included a *Sand Art Exhibition* and a *Geidai Arts Youth Summit* (Yokohama), a *Maritime Silk Road International Arts Festival* (Quanzhou), and a ‘*Banquet of Dreams*’ performance festival (Gwangju). While the cultural and artistic programmes of the three cities differ from each other, the three cities coordinated in order to produce joint events for the opening and closing ceremonies of the Cultural City events, *Trilateral Art Festivals* (also called *East Asia Art Festivals*), an Arts & Culture Education Forum, and other culture and arts education exchange events.

The EACC initiative continued the following year and as such 2015 saw another three East Asian cities selected to represent their countries engaging in “vibrant cultural exchanges and programs throughout the year” (Trilateral Cooperation Secretariat, 2014): Qingdao in China, whose most notable activity was a ‘*Five Kings*’ (Dance, Singing, Opera, Music Instruments, and Show) Talent Competition with contestants from China, Japan and South Korea; Cheongju, in South Korea, organised a “Chopsticks Festival”; and Niigata, in Japan, took charge of a Youth Exchange Programme. For the year 2016, Ningbo (China), Jeju (South Korea) and Nara (Japan), are the three designated East Asian Cultural Cities.

While the Northeast Asian initiative bears a similar name to other “sister” cultural capitals proposals worldwide, a few features underline Northeast Asia’s EACC uniqueness, and to some extent help to differentiate it from the European and Southeast Asian counterpart initiatives seen above:

##### ***Decentralising power of culture***

A key characteristic of the Northeast Asian EACC proposal is its marked decentralising approach. While main political and diplomatic initiatives often still choose capital cities or financial hubs for their strategic actions and meetings, in the cultural realm, the chosen locations are secondary cities. Out of the twelve

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<sup>13</sup> Interview with Mr. Nestor O. Jardin, former president of the Cultural Centre of the Philippines (CCP, 2001-2009), 10 November 2015.

<sup>14</sup> China is represented in the *Culture Trilateral Ministers Meeting* by its Minister of Culture; Japan by the Minister of Education, Culture, Sports, Science and Technology (MEXT); South Korea by the Minister of Culture, Sports and Tourism.

<sup>15</sup> The year 2012 marked the 40<sup>th</sup> anniversary of the normalisation of China-Japan diplomatic relations, as well as the 20<sup>th</sup> anniversary of China-South Korea diplomacy.

designated “cultural cities’ to date and with the exception of Yokohama, neither capital cities such as Tokyo, Beijing or Seoul, nor large urban conglomerates or commercial hubs such as Guangzhou and Chongqing in China, Busan and Incheon in South Korea or Osaka and Nagoya in Japan, have been chosen to represent their countries as EACC. In the case of China, for instance, the four Chinese cities designated EACC rank 19<sup>th</sup> (Qingdao, 2015), 20<sup>th</sup> (Quanzhou, 2014), 21<sup>st</sup> (Changsha, 2017) and 33<sup>rd</sup> (Ningbo, 2016) in terms of metropolitan area population (National Bureau of Statistics of China, 2010).

Figure 1 - Logos of the three East Asia Cultural Cities 2016.



### Competition

Contrasting with what happens with its Southeast Asian neighbours but closer to its European counterparts; these secondary Japanese, Chinese and South Korean cities compete among themselves to be awarded the title of becoming an *East Asian Cultural City*. In China, similar to what occurs in Europe, although without its complexity, the cities need to present their candidacies to a jury that, after a vote, determines the winning city. In 2016, Ningbo and two other cities, Jingdezhen and Changsha (eventually designated city for the 2017 edition), were the finalists for the honour, as chosen by a committee of officials from the Chinese Ministry of Culture and experts in the cultural field. The finalists had to defend their cases in a final judging in China’s capital, Beijing, and ultimately the committee gave Ningbo the highest score. For the 2017 edition, Changsha and two other cities, Harbin and Sanya, were the finalist for the honour and a similar selection process took place (Crienglish.com, 2016).

The process is similar in the other two countries, where cities compete to be awarded the title. In South Korea, Daegu earned the title as the 2017 city of culture in a four-way competition with three other Korean cities: Changwon, Iksan and Jeonju. Jury members gave high marks to Daegu's experience of “successfully hosting many international events, its advanced transportation infrastructure and cultural facilities, and good record of cultural exchanges with foreign countries” (Yonhap News Agency, 2016). In Japan, cities also need to compete to be awarded the honour. In an interview with Ms. Mariko Konno, Senior Officer at *Arts Council Tokyo*, it was highlighted the extraordinary motivation for regional Japanese cities to be named *East Asian Cultural City*<sup>16</sup>.

### Continuity, consolidation, coordination and accessibility

Changsha (China), Kyoto (Japan) and Daegu (South Korea) have recently been named *East Asian Capitals of Culture* for the year 2017. That marks the 4<sup>th</sup> consecutive year of an EACC scheme that seems to be in good health. Despite the latent regional tensions and repeated diplomatic cooling, the Northeast Asia region continues its consolidation as a geopolitical unit too. The EACC scheme is the latest but already one of the most consolidated cultural mechanisms for dialogue and cooperation set up by the three countries in order to

<sup>16</sup> Interview with Ms. Mariko Konno, Senior Officer, *Arts Council Tokyo*, 23 October 2015.

smooth relations, maintain ties and even improve the region's image<sup>17</sup>. To this aim institutional backing and coordination<sup>18</sup>, as well as the support and involvement of civil societies is key<sup>19</sup>. Since its debut in 2014, the different EACC cities have organised all sort of cultural activities, street exhibitions, workshops, festivals, exchange projects, art installations, forums and symposiums, where citizens have actively participated.

Thereby, among the over 100 art shows and cultural activities organised by Quanzhou 2014 (China), one of the highlights was a *Lantern Festival*, in which Quanzhou's main streets and cultural venues were decorated with more than "600 Chinese flower-shaped festive lanterns, Japanese-style Odawara cylinder-shaped lanterns and Korean lanterns with painted designs" (China.org.cn, 2014). In Cheongju 2015 (South Korea), a chopstick-themed festival was organised. The Korean city presented an assorted combination of exhibitions and performances to help represent this common cultural aspect among the three countries (e.g. competitions to show off chopsticks skills as well as gigs using the utensils as drumsticks). As part of the programme too, the *Cheongju National Museum* presented an exhibition on the history of how chopsticks have evolved in the three nations<sup>20</sup>. Nara 2016 (Japan), which had as main theme "From Japan's Ancient City, to a Diversified Asia", chose to focus on the promotion of cultural affinity of Asian regions through performing arts, fine arts and food, as well as academic exchanges. One of the events organised in the Japanese city was the project "To build a ship", organised at Nara's *Todaji Temple*, and where ten ship carpenters from China went to Japan to construct a traditional wooden ship, similar to those which sailed the East Asian oceans in the past. Other artists such as South Korean's Kimsooja had artwork installations at other temples around the city<sup>21</sup>.

As such, the EACC opens possibilities of participation for civil the cities' civil societies in accessible and open to everyone programmes. As part of the EACC initiative, artists and cultural practitioners also have opportunities to present their works to the wider audiences. In 2016, as part of the coordinated cultural programmes between the three EACC cities, Nara (Japan), Jeju (South Korea), and Ningbo (China), organised a film exchange joint project where three renowned filmmakers, Jia Zhangke (China), O Muel (South Korea) and Naomi Kawase (Japan), produced film stories featuring the EACC cities (Culture City of East Asia 2016, Nara, 2016).

Similarly, strong connections have been fostered at institutional levels, such as the coordination between the *Yokohama Triennale* in Japan and the *Gwangju Biennale* in South Korea in the year 2014, as well as among the two cities' museums of art. In 2014 too, a *Memorandum of Understanding* was signed to organise more tourism promotions in each other's cities; and in 2015 at Cheongju's closing ceremony in December, that

<sup>17</sup> "Even with Asian nations that share the common cultural lineage, Korea has not seen vibrant cultural exchanges, and further, it has shown little interest in cultures of different civilizations. Today, however, international exchanges of performing arts get invigorated throughout more variety of cultures and civilizations. [...] Shared sentiment with other neighbouring Asian countries will facilitate the transmission and understanding of messages and implications of performing arts between Asian nations", KOREA ARTS MANAGEMENT SERVICE (KAMS), (2009). *Asian Arts Theater. Research on the Actual Condition of Performing Arts in Asia*. Seoul: Ministry of Culture, Sports and Tourism, p. 1. This trend is also demonstrated with concrete facts: for instance, the recent *Performing Arts Market* (PAMS), which took place at the *National Theatre of Korea* in October 2014, had in China its guest of honour, something unthinkable barely a decade ago.

<sup>18</sup> It is important to note that in the case of Japan, for instance, the *East Asian Cultural Capital* initiative is framed within the actions promoted by the *Agency for Cultural Affairs*, under the *Ministry of Education, Culture, Sports, Science and Technology - Japan* (MEXT). However, international cultural diplomacy actions as well as cultural exchanges have traditionally been implemented by the *Ministry of Foreign Affairs of Japan* (MOFA). Coordination between these two key ministries is crucial if Japan wants to obtain results in the medium and long term with such initiatives.

<sup>19</sup> In an interview with Ms. Mariko Konno, Senior Officer at *Arts Council Tokyo*, she emphasised the fact that the *East Asian Capitals of Culture* initiative is one of the few proposals on inter-regional cultural cooperation recognisable today by the Japanese civil society. Ms. Konno was nevertheless somewhat sceptical when considering that the project promotes cooperation and better understanding between the civil societies of the three countries, and termed the initiative a bit "chaotic" and without a clear vision. She however, also admitted that in the complex regional context of Northeast Asia, the EACC represents a first step, and that through this initiative some interest in the other countries' culture has begun to cultivate.

<sup>20</sup> For more information about the 'chopsticks festival' in Cheongju, South Korea, please visit: [yonhapnews.co.kr](http://yonhapnews.co.kr), (2015). *Cheongju to host chopsticks festival in Nov.* [online] Available at: <http://english.yonhapnews.co.kr/national/2015/08/03/0302000000AEN20150803004600320.html> [Accessed 11 Aug. 2016].

<sup>21</sup> For more information on Nara 2016's EACC activities see: *Culture City of East Asia 2016, Nara*. [online] Available at: <http://culturecity-nara.com/en/event/> [Accessed 17 Aug. 2016].



year's three EACC cities signed a cooperation declaration to establish a long term mechanism of exchanges among the three designated cities that year (Qdshibei.gov.cn, 2015). EACC cities also coordinate and share resources for their opening and closing ceremonies. In that manner, Gwangju's opening ceremony in 2014 featured dance troupes and puppetry shows from its Chinese counterpart Quanzhou, performances by Japanese teenage pop group *Denpagumi.inc*, and in return it sent a dance company, S.Y. Dance Company, to perform in the other cities. EACC cities have developed as well online platforms, websites and commemorative logos to support their cultural capitals<sup>22</sup>.

### **Soft Diplomacy in a Complex Geopolitical Context**

The modern relationship between Japan, South Korea and China is rooted in a complex history. For decades initiatives stimulating cooperation between the three states were practically nonexistent (Lee et al., 2014: 5). The wounds left by Japanese colonialism in the region and the conflicts experienced during the Second World War continued to trouble the political relations between China, South Korea and Japan for years (Johnston, 2012: 67); the three countries took decades to restart the lost diplomatic contact<sup>23</sup>. The "persistence of historical memory"<sup>24</sup> in the region and the consequent widespread distrust, hampered communication and interaction between the three countries, and undermined the development of regional cooperation and integration<sup>25</sup>. In the first half of the 2010s the mistrust in the Northeast Asian region was at its worst in decades. Japan and China were in great diplomatic tension over the sovereignty of the *Senkaku* islands (in Japanese) or *Diaoyu* (in Chinese), located in the East China Sea<sup>26</sup>. Diplomatic contacts were kept at a minimum and the Foreign Ministers of the three countries stopped their regular strategic annual meetings between 2012 and 2015.

Berry, Liscutin and Mackintosh affirm: "at its most ideal, culture is assumed to assuage historical grievance and to effect national reconciliation, regional peace, and global harmony" (Berry et al, 2009: 2). With the majority of diplomatic tools temporarily suspended in what Hughes called "certainly the most serious for Sino-Japanese relations in the post-war period in terms of the risk of militarised conflict" (Hughes, 2013), conversely the three Ministers of Culture of Japan, China and South Korea continued to meet regularly. In fact, they subsequently met in the years 2012, 2013 and 2014, the peak years of the dispute. Furthermore, their 5<sup>th</sup> meeting in Gwangju in September 2013 constituted the first ministerial meeting between the three countries in that year<sup>27</sup>. The *East Asia Cultural Cities* initiative, conceived in 2012, officially proposed in 2013, and first implemented in 2014, was accordingly part of an effort to draw on cultural matters to lessen tension in a period in which much of the high level regional political and diplomatic initiatives were halted. The EACC initiative was hence one of the few soft diplomacy meeting points found by the three Northeast Asian nations to enhance dialogue and cooperation.

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<sup>22</sup> Not all EACC cities commit and invest equally to the scheme. Japanese cities, for instance, usually have their websites and resources translated into English, Korean and Chinese, apart from Japanese. On the contrary, traditionally Chinese and South Korean's EACC cities have kept their resources in their respective own languages.

<sup>23</sup> Only in 1965 Japan and South Korea signed their *Treaty on Basic Relations*; Japan and China signed in 1972 a *Sino-Japanese Joint Statement*, that was later ratified in 1978 with the signature of the *Treaty of Peace and Friendship between the People's Republic of China and Japan*.

<sup>24</sup> "Many East Asia IR analyses emphasize the constraining effect of historical memory on foreign policy decision making. Whether it is because of the socialization of populations through education systems and popular culture or because leaders themselves genuinely internalize historical memories, there is a common view that constructed memories of nineteenth -and twentieth- century imperialism have hindered political cooperation. [...] In Northeast Asia [...] one of the toughest obstacles [...] is the persistence of historical memory and its role in cultivating hostile, even racist, images of the Other", Johnston (2012: 67-8).

<sup>25</sup> "Asia has seen a huge gap between different nations in terms of political and economic spectrum. Under the circumstances, lack of understanding and information about each other could lead to numerous trials and errors in the process of cultural and commercial exchanges", KOREA ARTS MANAGEMENT SERVICE (KAMS) (2009: 2).

<sup>26</sup> To understand the Sino-Japanese conflict over the sovereignty of these islands please see Hollihan (2014).

<sup>27</sup> Earlier that year, in May, the 15<sup>th</sup> *Tripartite Environment Ministers Meeting* took place in Kitakyushu, Japan. However, showing the level of regional tension at the time, China only sent a Vice Minister to the meeting.

## Conclusion

The schemes chosen by Northeast Asian and Southeast Asian countries to outline their cultural capital/cities for the 21<sup>st</sup> century bear similar names to their European counterpart. As seen in this paper, occasionally they might have even drawn some inspiration from it. However, the way the three regions understand and implement the cultural capital scheme is very different from each other, and few resemblances connect these three cultural capital/city initiatives today.

In the case of the *ASEAN City of Culture*, Southeast Asian cities are not trying to replicate the older and more consolidated European model<sup>28</sup>. Designated cities do not compete among themselves for the title, and the award is mostly honorific. In general, the designation does not stimulate the creation of new cultural structures in the chosen city/cities, it does not boost urban regeneration and tourism, and even few new “real” cultural activities are fuelled by the fact that cities are awarded the honorific title. Despite the initial institutional enthusiasm when the scheme was announced, nominated *ASEAN Cities of Culture* do not receive any core regional funding, which complicates the tasks of strengthening the association’s identity and of raising its profile regionally and internationally, something nevertheless still repeatedly outlined in the official statements. Seven years into its implementation, in Southeast Asia the scheme still lacks direction, monitoring and evaluation. The information on the *ASEAN City of Culture* initiative is also scarce and incomplete, and there are hardly any reliable sources with data, statistics and even basic compilation of activities. Southeast Asian countries have not seriously embraced the scheme and to date, hardly any of the aims established in 2010 has been fulfilled. Over twenty cities later, the *ASEAN City of Culture* initiative remains vague and its impact in Southeast Asia’s cultural landscape is negligible.

In the case of the *East Asian Capital of Culture*, while the Northeast Asian cities of Japan, China and South Korea are not trying to replicate the model popularised by their European counterpart three decades ago, the EACC might have drawn some inspiration from it: the Northeast Asian cities enter into a competition among candidate cities, and a panel of experts, international in the European case, national in the EACC case, decides on the most suitable candidate to host the designation; EACC countries, although considerably less than in Europe, receive time to plan ahead for their title year, and there is some level of coordination among the selected cities which implies basic monitoring and supervision; both schemes understand boosting of cultural tourism as a top opportunity for their cities.

The Europe of the 1980s and the Northeast Asia of the 2010s are two very different geopolitical realities that however coincide in one fundamental aspect: the usage of culture as a tool of soft diplomacy. In the pre-Berlin Wall Fall Europe, as advocated by Ms. Mercuri, culture, art and creativity were stimulated to stand as equals in front of technology, commerce and economy (Palmer/Rae Associates, 2004: 41); but in a then still heavily divided Europe, culture was also seen as a tool of soft diplomacy. In a very different time and context, similarly, in times of pressure, Japan, China and South Korea are today also resorting to the arts to promote knowledge of each other’s culture, foster mutual understanding and smooth things among themselves. As in mid-1980s’ Europe, cultural diplomacy remains in today’s Northeast Asia as one of the main reasons for the EACC scheme to exist.

The three cultural capital/cities schemes analysed above are very different from each other. This is normal considering their very disparate geopolitical contexts as well as their dissimilar life length: over three decades in the case of Europe and barely seven and three years in the Asian cases. However, while the differences among the European and the Northeast Asian cultural capital/cities schemes are pronounced, the EACC scheme has drawn some inspiration from its European counterpart. Despite its short life, it can be concluded that EACC has created a hybrid model with its very own characteristics, but it has also adapted

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<sup>28</sup> At the interview with Ms. Eva Salvador, Head of Education at the *Cultural Center of the Philippines* and member of the organising committee of the *1st ASEAN City of Culture* project, she affirmed that although at the 4<sup>th</sup> AMCA meeting in Pampanga “there was some mention of initiatives taken by the EU [...] there was no benchmarking using these countries’ experiences.”

some of the European model's main features to better suit its very unique and complex geopolitical landscape. This combination has the potential to improve the perception of the "other", strengthen ties between regional civil societies and provide sustainability and perhaps long-term success to the scheme. On the contrary, ASEAN has neither tried to replicate the European model nor has it successfully carved its own consolidated and sustainable model. Seven years into its implementation, the *ASEAN City of Culture* requires rethinking if it is to avoid involution or even disappearance.

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## **Education for cultural heritage management in Brazil: challenges and new standards**

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### **Abstract**

This paper aims to (1) address context-related factors affecting education for cultural heritage management in Brazil and (2) discuss new standards for reconceptualising preservation education in Latin America. The discussion is based on findings from a PhD research investigating cultural heritage training initiatives in Latin America. Aiming at strengthening regional capacities through preservation education at World Heritage sites, this autoethnographic study, made under a multiparadigmatic approach, examines the impact of socio-cultural values and practices on cultural heritage training programs' performance in developing countries. As a case study, this research focuses on training programs implemented in three World Heritage historic centres located in northeastern Brazil: São Luís, Olinda, and Salvador.

Keywords: preservation education training centres, Brazil, new standards

### **Introduction**

Over the past six years, I have investigated in-depth how socio-cultural factors (in particular, cultural values and practices of key-stakeholders) affect cultural heritage preservation education in World Heritage sites located in Brazil.

As a cultural manager in Brazil, I have confronted many problems but those that concerned me most are centred on the professional training programs for preservation. Preservation requires professionals who possess necessary abilities to conduct technical work but who also are sensible enough to foster social participation in the decision-making process, deal with complex and uncertain contexts, and identify and critically analyse issues. Professionals trained by heritage programs are responsible for undertaking conservation and preservation work and for training other professionals in doing the same. If they are not adequately prepared their actuation can lead to disastrous consequences, such as lost of material and immaterial's integrity and authenticity, use of inappropriate procedures, overlap of resources, and managerial conflicts.

I began this investigation in 2010 as an exploratory research, analysing relevant documents looking to understand what context-related factors were affecting the performance and quality of the training programs implemented in three World Heritage historic centres located in North-Eastern Brazil—São Luís, Olinda and Salvador. In this region, the poorest of Brazil, people are still struggling for survival; their basic needs - shelter, education, health, food and safety - are barely being met. This level of social inequality generates a situation in which the power of social policy decision-making rests solely on about 10% of the population who are deemed sufficiently educated (Instituto Brasileiro de Geografia e Estatística, IBGE, 2014). This initial

phase of my investigation highlighted discrepancies between what is reported in official documents produced by training centres and what managers and staff of the same centres reported during the interviews I made in the field. This made me realise that if I wanted to identify the root causes of the problem with training courses in Brazil then my research needed to evolve beyond a simple scientific, cause-effect study and become a deeper investigation into the preservation education system, aimed at gaining a rich, contextual and emergent understanding of the culture of Brazilian training programs. Given the complexity and multidimensional character of the problem, in 2012 I designed a new research approach framed by the interpretive-constructivist and critical theory paradigms. The evolving stages of the investigation elicited sensitive and essential discussions concerning sedimented ideologies, public policy issues related to preservation and education, and political stances based on the cultural legacies of colonialism.

### **1. The preservation education context in Brazil**

Data generated from this research highlighted how preservation education for cultural management in poor regions can be influenced by local context factors and also how the quality of conservation efforts in those regions can be affected by inadequately trained professionals. Because basic matters of survival—such as poverty reduction, establishment of equity and sustainability, and meeting basic needs (i.e., food, shelter, healthcare, and access to education)—are priorities, preservation is only of secondary importance within the urban context. Consequently, political, social and economic issues deeply affect preservation processes, frequently rendering impractical initiatives towards sustainable social and economic promotion.

In analysing data generated in this investigation, I can see how strongly the political context impact on training centres management and consequently in their performances. Decisions of what and how to preserve and conserve is the hand of political groups. My perception about this issue is that the face of such a harsh socio-economic context, people are much more worried about attending to their basic needs than worrying about heritage, therefore in general local people prefer to not be involved in preservation decision making. In talking to locals in the field, I could observe that people are voiceless and to some extent want to be out of the decision-making because they do not believe in our politicians. There is this general perception that everything that is political is dirty, unfair and benefits just political groups, not the community in general. And I cannot blame people for thinking in this way. Just turn on the TV and see about 70% of our Brazilian politicians involved with corruption crimes of all sorts.

This scenario has been in place since Brazil was a colony of Portugal, and these socio-economic and political contexts are unlikely to change. This situation alienates people and leaves the decisions in the hand of a few. Thus, in my understanding, neither people, professionals nor institutions are culturally or educationally prepared to be involved in preservation decision-making. They seems to lack a conceptual framework of what to preserve and how, and do not understand the real importance of preserving their local identities. The focus is in general on the material aspect of heritage. In working in the field, I can see clearly that for both people and professionals, heritage is still made of bricks, not by people.

Regarding to the legal and managerial framework, it is clear for me after 18 years of experience in the field that Brazil lacks interdepartmental linkages and shared strategies needed for sound cultural management, which results in an overlap of actions and resources. Policy-making is equally deficient: the preservation policies are decontextualised, based on a rigid interpretation of UNESCO's universal recommendations, which leads to the problem of 'one-size-fits-all' policies in places with different socio-cultural and political contexts.

Regarding educational system, my analysis—based on informal documents produced by training centres staff, participants' interviews, and on my own experience in managing and teaching in two training centres in the target region for the past ten years—is that issues include the low learning quality, due under-prepared technical and administrative staff, no contextualised curricula, communication problems and students' lack of

basic skills (literacy & numeracy), lack of physical structure and resources, and inappropriate teaching methodologies. Students present difficulty in understanding values and meanings. The skills provided by the training courses are not appropriate to the context in which they are operating. It means the training courses are not meeting the current aspirations and needs of individuals and social groups.

Yet about the educational scenario, after an extensive literature review on documents and books related to the history of education in Brazil, I perceive that Brazilian education has its roots in colonialism. It was designed to mirror the colonial motherland's system, with curricula designed to civilise mestizos: native Indians who, through a 500-year process of miscegenation with Africans and Europeans, are the anthropological roots of Brazilian society today. In this 'education' process based on the assimilation of dominant cultural beliefs, values and languages of colonisers, local knowledge and traditional practices were suppressed. Today, this mestizo population has few rights of participation in decision-making processes and lacks access to decent or even survival-level living conditions—kept powerless, marginalised and under disguised political control.

The majority of the population belongs to a marginalised group of people who are descendants of slaves. Let me dive into history for a while to explain how I understand this situation. Since early in the twentieth century, with the beginning of the Republic, Brazil has experienced economic crises marked by inflation, unemployment and coffee overproduction. This situation, combined with the concentration of land and the absence of a comprehensive and inclusive school system, meant that most of the newly freed slaves have lived in a state of almost complete abandonment. In addition to suffering poverty, they had to face a series of prejudices crystallized into institutions and laws, and even today they are stigmatized as sub-citizens without a voice in Brazilian society. With redevelopment projects implemented and run by the government at the end of the nineteenth century, thousands of poor families (mostly blacks and mulattos) were displaced and evicted from central areas, where the tenements were, to places where building was difficult. Thus, the slums (favelas) arose. (Priore and Venancio, 2010)

Soon after the period of redevelopment, industrialization came. Unlike industrial development in the European world, Brazil did not experience a slow and progressive development of crafts and small manufacturing but was born great, with the implementation of modern plants imported from other countries. But what was purported to be an advantage was, in fact, a serious problem since this model did not stimulate the necessary development of our industrial technology so that we could adjust our productivity to international standards. The imported technology served as a disincentive to educational development and reinforced the exclusion of those without the proper education. All of this has contributed to the socio-economic situation we have today, where the struggle for freedom of participation involves aspects of an educational and political character. In a stronger way than I would like to admit, this exclusion remains today. Whites occupied and continue to occupy the first place in human development, and blacks occupy the last.

Nowadays, the participants of this investigation and I agree that politicians seem reluctant to change this scenario as any investment in transformative education may disturb the existing power relations. Professionals could change this situation by reporting existing problems. However they do not report inefficiencies fearing punishment by the government. On addition, the current government in Brazil is investing in training courses as a measure for poverty alleviation but behind the scenes, poor training are being provided. Official reports produced by training centres are not portraying the real situation: the training programs may be just certifying instead qualifying people.

Another issue came to light during my discussions with participants: Is social control by governments desirable? There is a general perception among professionals, managers and policy makers working in the preservation field that there is no interest from governments in fostering social participation. Social control interferes in decision making; people demand explanations and contest decisions. Through social intervention, politicians lose the ability to make unilateral decisions on resources, and this reduces their



power. Therefore, politicians often prefer to keep people out of the decision-making process. Awareness is a tool for empowering people to become imaginative and critical thinkers capable of addressing the question: Whose interests are not being served by particular social policies and practices? (Taylor and Medina, 2011). Local people should be able to practice culture in a democratic way, which results in identifying and transforming unjust social structures, policies, beliefs and practices.

A reflection comes to my mind when I try to link preservation education and sustainable development (SD), which is the goal for education for the Twentieth first Century. In observing Latin American contexts during ethnographic fieldworks, it is clear for me that most politicians in charge wish the balance between keeping the economic sector pleased and the local communities reasonably satisfied (providing basic services just for survival purposes). It is enough for them to assume that sustainability has been achieved. However, in analysing official reports from local and national institutions and interviewing practitioners in Brazil, there is a common belief that this desired balance is not sufficient condition for achieving SD. Performing a critical social analysis like this investigation seems important for understanding how the perceptions of the different parties involved in the preservation management process of a WH site—governments, economic and touristic interests, academies, and communities—impact the establishment of a locally sustainable context.

My recommendation is that in this process of reconciling heritage preservation education and sustainable development, one thing needs to be done in all cases: the interaction between people and governments must be reinforced. When people start to recognize themselves as having a relevant and representative voice, they better understand their roles as social agents and feel compelled to participate. Local people cannot do this alone; they need specific governmental programs supporting public awareness. These programs have to prepare people for identifying the potentialities, opportunities, advantages, problems, threats, and obstacles to development so that they are best able to plan and manage, in a shared manner with governments and other sectors, the process of achieving local sustainable development (Moreira and Amorim, 2014).

From this joint work, governments also begin to understand the need to include the social population. This is a natural, essential, and constructive partnership. Also vital is the cooperative interaction between the academy, industry, training schools for preservation, and public and private institutions. In this process, conflicts are to be expected due to the diversity and difference of backgrounds and interests that each stakeholder possesses. Conflicting interdependence of objectives is the reason negotiation exists (De la Mora, 2012). Conflicts are welcome and encouraged in the negotiation processes because they are constructive when people focus on shared issues and maintain respect for those who hold opposing points of view (McShane et al., 2010). Different viewpoints are useful for exposing and clarifying ideas, forcing all participants to re-examine their assumptions, bringing unresolved problems to the table, highlighting new issues, and allowing new insights about core matters to emerge.

For all social actors (institutions, public and private sectors, communities), it is important to discuss and define shared goals for the strengthening of local conveyance. This is essential to the preservation process, considering that the political guidelines for each historic site need to be defined in accordance with what the local people perceive as worthy of preserving. Social benefits and improved quality of life are welcome if they do not result in a trivialization of residents' lifestyles or a loss of traditions and customs.

In my point of view, the preparation process for communities should include capacitating people not only for being able to analyse the local context and propose feasible solutions for their demands but also to submit their proposals in the project formats specified by government departments, financial institutions, donors, and sponsors. Training must also be designed to teach the communities how to organize themselves as entities in order to obtain resources for socially, culturally, and economically sustainable programs. However, we cannot forget that the main focus of the capacitation and empowerment of local people is memory construction and identity reinforcement.

## **2. New standards for preservation education in Brazil**

I believe that it is not possible nowadays, with the world plunged into profound economic and philosophical changes, for Brazilian schools to continue teaching only the basic skills of math, writing and reading. Much more than that will be demanded from future professionals to allow them to survive in a market that is so competitive, fickle and ephemeral. Critical thinking, problem-solving, cooperation, proactivity, flexibility, respect for cultural diversity, entrepreneurship, agency, analytical skills, imagination and creativity are fundamental survival skills for those who want to fit in the current global economy.

Over the past century, resources from all around the world have stated the requirements for achieving successful preservation education programs: educating the workforce, promoting interdepartmental interaction and collaborative management, negotiating conflicts amongst stakeholders, sensitizing decision-makers and persuading politicians to contribute funding for programs and projects whilst also creating proper legal frameworks for cultural conservation and preservation. I can see in many seminars and conferences that I have attended that professionals and managers around the world seems to know what needs to be done. From my professional perspective, what is necessary now are elements that can help educators to build a positive environment for implementing new standards for our students, standards that can include quality indicators. The planning phase of any training course should include these indicators, and they should be constantly monitored and assessed during the training process.

In many documents, I have read that the problem with the heritage managerial system (including the training centres) is that it relies on unprepared professionals or lacks resources. I agree that centres lack resources because preserving the cultural heritage does not receive priority. However, even with resources, conservation works are going bad, and experiencing a variety of technical and managerial issues out in the field. But if I just conclude that the problem rests on professionals who are formed by training centres, what is happening then? Are students not absorbing the provided knowledge? Is the knowledge not sufficient for them to perform well in the field? Or are educators not performing well within the training courses?

With these questions in mind, I developed my analysis. I could see that none of the elements—students, professors or classes—are performing well, and the context is not helpful. Given this backdrop, using my research and field work, I may suggest several general recommendations and educational approaches that can help apprentices, educators and their classes. These approaches are the basis for my reconceptualization of the quality indicators necessary for training preservation education curricula in Brazil.

## **3. Critical pedagogy versus the culture of silence**

My first recommendation is to build curricula based on critical pedagogy, which is a philosophy of education and social movement that combines education with critical theory. As discussed in Brazil by Paulo Freire (2000), critical pedagogy is an attempt to deal with problems relating to social injustice, inequalities of power and class status differences, race and gender. In my point of view, taking this philosophy as a basis for the guidelines will help teachers and students to develop consciousness of their role in their societies, awareness of authoritarian tendencies, and the ability to take constructive actions.

Critical pedagogy encompasses the relationships between teaching and learning, and proposes a continuous process of learning, reflecting on and evaluating traditional schooling. Then, if necessary, learners can unlearn, relearn and reconceptualise educational methodologies and their impact on the students' lives.

Critical pedagogy is also about empowerment. Although the word empowerment already exists in English meaning "given power to someone", Paulo Freire was the author of the term empowerment in its transformational sense, which is much more suitable for the purpose of my study. Before training students in a specific skill, I need to empower the students, social groups and related institutions, the ones who need to be able to do, by themselves, the changes and actions that lead to their evolution and strengthening. Freire, in what is referred to as empowering education, defends an education system that emphasises learning as a

matter of culture and freedom, being an interactive process between teacher-student and student-teacher, in which both sides engage in a continuous process of learning. Empowering education is a critical democratic pedagogy for self and social change that encourages individual growth as an active, cooperative and social process. (Shor, 1992)

For the reality of Brazil, I believe is also important for educators and learners to recognise how the political and administrative systems have framed education under authoritarian tendencies. Our system is connected to and dependent on power relationships, which still makes people afraid of talking and thinking. Our education was created under a net of authoritarian relations whose root is in the colonial era. This comes up to the present day as a colonizer-colonized relationship, where the colonizer enforces the rules the colonized have to follow. The colonizers act and the colonized have the illusion of acting; sometimes colonizers only passively respond to the manipulation of that colonization. (Rubio, 1997) In this sense, it is essential for the attacker to divest the invaded culture of meaning, fracturing its features and filling it with by-products of the invading culture (Freire, 2011).

Therefore, I strongly believe that building environments where students can develop critical thinking is essential for breaking pre-established rules that frame the methodologies for preservation education. Preservation apprentices should be called to question and challenge the information given to them. Absorbing a pre-designed set of theories and practices about preservation is important as old construction techniques need to be replicated. But right thinking does not depend on memorizing techniques and theories. Thinking properly and critically leads to much more than a merely receptive knowledge, the result of an unhealthy relationship between teacher as depositor of knowledge and student as a vessel to be filled (Freire, 2011).

Education, to be truly humanist, must be liberating; therefore, it cannot manipulate. Its central concerns must include the awareness that occurs inside of men's minds when they act, when they work, when they have disputes with each other and the world around them in transformational relationships. Awareness is the result of the individual's confrontation with concrete reality (Rubio, 1997).

For achieving an efficient teaching-learning process using critical pedagogy, educators must lead their students to understand (1) how new methods and materials available in the local environment can be used; (2) how the working relationship between professionals, technicians, teachers and learners can be improved; (3) which laws and conservation policies may be inappropriate to their context and (4) how to question practices considered repressive and give liberating responses on the individual and collective level (Marques, 2015). These responses must be understood as liberating, freethinking and critical.

#### **4. The four pillars of education**

As contemporary social craft persons, people who are able to mould social groups, educators are called on to provide to students with maps to guide them in this chaotic world. In that sense, I see the four pillars education theory developed and adopted by UNESCO (Delors et al., 2003) as an another effective framework for preservation education in Brazil. It is based on four elements:

1. Learning how to know – The domain of knowledge: theories, methodologies, procedures and constructive techniques used at international and national levels, but with an overriding focus on the local level. Acquiring a repertoire of coded knowledge so that the students can have an understanding of the world around them and develop their professional skills and abilities.
2. Learning how to do, preparing graduates to apply skills properly to address civil market demands. In preservation education, learning how to know and how to do are inseparable as the training courses focus on practicing conservation and restoration work. Learning how to do is putting in practice the acquired knowledge, in a responsible way, including compromising with the local market.

Learning how to do is not only doing for the sake of doing but “the development of service demand, then,

fostering human qualities that traditional schooling does not necessarily transmit, correlated with the capacity of establishing stable and efficient relationship between people.” (Delors et al, 2003: 95).

Another important factor in to do in the case of preservation education is that a general qualification in construction work is better than a more specific training in restoration work. Because of the characteristics of the restoration market in Brazil, students think that a training that can provide general skills is more useful in Brazil as there are more informal than formal jobs. Graduate students are thus more prepared to join a larger number of job opportunities. Owning a more general qualification increases their chances of employment in the industry.

3. Preparing students in learning how to live together means discovering and respecting the other, sharing and valuing others' experiences and increasing their communication and conflict resolution skills. I observed in my fieldwork that respecting others, including the recognition of other ways of knowing, doing and acting, increase the cooperation and integration among apprentices in the field. Developing an empathetic attitude with others is a very useful social behaviour throughout life, and it reduces daily conflicts among students immersed in situations of social vulnerability.

“The confrontation through dialogue and exchange of arguments is one of indispensable instruments for the education in the Twentieth Century.” (Delors et al., 2003: 98).

4. Prepare professionals in how to be, focusing on turning students into social actors who know, respect and defend their own culture, and are thus able to establish a different, sensitive relationship with their heritage. Education is a source of intellectual references and social values that allow students to understanding the world they live in, while still allowing them to respect who surrounds them and learn to behave as more responsible and righteous beings.

“Education must contribute to all-round development of each individual. Mind and body, intelligence, sensitivity, aesthetic sense, personal responsibility and spiritual values.” (Delors et al., 2003: 99).

Preservation education teaching in Brazil is mainly based on learning to know, and due to the practical aspect of cultural conservation, a part of the curriculum covers, to a greater or lesser extent, the learning of to do. However, the other two pillars of knowledge - learning to live together and learning to be - is what makes learners more aware of their role in preserving cultural heritage. The citizen who cares about his or her history and the present respects his or her culture and the culture of others, which increases tolerance and respect, the essential elements of good teamwork in the field. These aspects are fundamental: respect for practical knowledge, for cultural property, for other team members, for the affected community, for teachers, and finally, for himself or herself, which leads to increased self-esteem.

## **5. Meaning-centred education**

From my educational perspective, meaning-centred education may be a helpful approach for preservation education as it places meaning-making at the centre of the teaching-learning process. (Kovbasyuk and Blessinger, 2013) Meaning-making is the process people use to make sense of events, attributing meaning to things or experiences by building and understanding how these events happen or are (Hidden curriculum, 2014).

Meaning-centred education is a constructive process that organises our experiences as individuals and the relationship between our inner world and the external world. This provides humans with the consciousness that they are part of the world-part of a sociocultural dynamic whole. This approach seems perfect for cultural heritage studies under the integral holistic approach, as sustainability in preservation relates directly to the meanings that people attribute to cultural assets.

## **6. Transformative learning**

After four years diving into educational theories, transformative learning seems to me suit well to the

reconceptualization of preservation education curricula in Brazil. In the context of a transformative perspective, in which the student is longer a passive recipient and starts to act as an active agent for changing the scenario where he or she lives, Jack Mezirows' (1991) theory of transformative learning has been implemented over the last 20 years in a variety of adult education contexts such as workplaces, communities and higher education. According to Elias (1997), transformative learning is the expansion of consciousness through the basic transformation of worldview and specific capabilities of BEING. Transformative learning is facilitated through processes consciously directed by the individual learner as to how to access and enjoy the symbolic contents of their unconscious underlying assumptions and critical analysis. Recently, others have added theories of wisdom, culture, consciousness, society, feminism, globalization, spirituality, sustainability and so on, to generate an attractive aesthetic, ethical and spiritual perspective on educations' role. This perspective helps create a more just, peaceful, diverse and sustainable world (Taylor, 2013).

Within this emerging transformative vision, this new educational parameter can add value in teaching education for preservation in Brazil. Mezirow, Taylor and Associates (2009) contribute to my study with what they call core elements that shape the transformative approach to education. These elements are connected with the broad theoretical framework of transformative learning theory and applied to my study, and they are characteristics of the new methodology I am proposing for Brazilian preservation education. The elements can also be used as qualitative indicators to be monitored and evaluated in training. They are:

Valuing individual experience. This refers to the personal experience that every student and teacher bring with them. Each has his or her burden of learning, the result of the experiences already lived. Like what they experience together in the classroom, each of these experiences is a source of knowledge. Activities in the classroom that take into account this knowledge help to associate meanings among the participants, and act as triggers or disorienting dilemmas (Mezirow, 1991). These intense activities lead to critical reflection and facilitate learning for transformation, allowing students to experience learning more directly and holistically.

Promoting critical reflection. Critical reflection 'refers to question[ing] the integrity of assumptions and deeply held beliefs based on past experience' (Mezirow et al., 2009, p. 7). Questioning and examining preconceived assumptions can lead to a new attribution of meaning, this time making meaning based on the thoughts and feelings of the student him/herself. This is called critical reflection in practice.

Dialogue. Dialogue is the way to place critical reflection into action. It is the way in which the transformation is promoted and developed. However, this dialogue should be free from the coercion, preconceived distortions and assumptions typical of traditional education in Brazil. It is important that educators know how to build positive environments for productive dialogues where the students are encouraged to express their point of view, respect the views of others and present their thoughts clearly, developing the ability to make a fair judgment of situations. This environment should provide equal opportunities for participation by all, where all alternative points of view are considered.

Holistic orientation. The holistic orientation means exposing the student to other forms of knowledge, such as the affective and relational. Affective knowledge means awareness that emotions and feelings are inextricably steeped in the reflection process; no one can think without feeling (Arantes, 2000). Relational knowledge is understanding that knowledge depends on the construction of an integrated, systemic knowledge in which there is no absolute truth. All truth is relative. According to Brown (2006), students rarely learn through rational analysis-think-change but rather they learn by emotional see-feel-change, which means it is the interdependence between cognitive and emotional processes that leads to reflection and the questioning of pre-concepts. Each student is a physical, emotional, intuitive and spiritual being, and he or she physically interacts with other similar but different beings in the classroom. Holistic education is an educational trend that challenges the fragmentation brought by modernism, aligning education with the fundamental reality of nature (O'Sullivan, 1999). Nature is not fragmented, and it can be studied. It is

dynamic and interrelated, and that connectivity between its parts is inseparable from the atomic up to the systemic level. Thus, education must also be holistic and multidimensional so it can provide an understanding of the world as a whole.

Awareness of context. Being aware of the context means developing an appreciation and deeper understanding of personal and socio-cultural factors that influence the transformative learning process. Understanding how local context characteristics, available resources and techniques and procedures in place impact learning, it is essential for the student of preservation to be aware of everything that impacts their real-life work, and also how their society and the market work.

Establishing authentic relationships. The establishment of meaningful relationships is essential to promoting transformative learning. Through an authentic relationship, educators and students can establish a strong sense of awareness of their needs and the needs of others, the ability to be true to others and an awareness of how context shapes practice. These factors can lead the students to engage themselves in reflections and (self) criticism of their social and labour practices.

Applying these elements in the preservation context means leading Brazilian students to think beyond the material aspects of cultural heritage. Tangible heritage is still the focus of preservation institutions. Intangible assets have become more valued in the past decade. However, cultural heritage as a dimension of human development is not included in most policies. Preservation is strongly focused on techniques and technical procedures rather than being seen as part of city social dynamic. That is the modern way of cultural management, where culture, education and social issues are fragments of society. Without seeing cultural heritage as a whole, is not possible to develop integrated policies that can bring benefits not only to the built assets but also to the individuals who are part of this built environment.

Both educators and students familiarize themselves with the following transformative learning qualities can identify its fundamental principles, here well represented by Taylor (2013):

- Cultural-self knowing: to more fully understand ones' worldview (or way of knowing, being, and valuing), especially values, ideals, emotions, premises, and frames of reference residing in the subconscious - and connected to the collective unconscious - which underlie habits of mind, constitute cultural/individual identity, and govern social inter/actions.
- Relational knowing: to understand and appreciate the value of reconnecting with the natural world and with culturally different others' ways of knowing, being, and valuing in the world, and valuing the world as a set of parts that have an intense relationship one each other.
- Critical knowing: to understand how economic and organizational power has historically structured sociocultural reality—especially, class, race, gender, and the conventional scientific worldview—and thus governs (i.e., controls, restricts, limits, and distorts) identities and relationships with the natural world and with culturally different others.
- Visionary and ethical knowing: to envision through idealization, imagination, and dialogue with culturally different others what a better world this could/should be.
- Agency knowing: to realize that contributing to making the world a better place is feasible, desirable, and necessary and that one has the capacity and commitment to do so.

From the perspective of transformative learning theory, new curricula for preservation education can be rethought in the light of social and cultural sensitivity. From a perspective that is more critical-constructivist, curricula can more strongly emphasise local environment issues, identity, awareness, critical analysis, meanings and cultural appropriation to produce more sustainable strategies for preservation actions.

## **7. Learning by competences**

Because cultural heritage is a broad and multifaceted concept, the requirements for its management are also complex, requiring both a comprehensive understanding of the 'spirit of place' (Charter of Quebec, ICOMOS,

2008) and a new perspective by cultural professionals. To develop and implement successful cultural preservation projects and policies, cultural preservation professionals are called not only to intervene in the production and promotion of culture, but also to deal with the political, economic and socio-cultural pluralist contexts wherein the sites are located.

Within the difficult context of developing countries, I could see through the last 18 years working in the conservation management field that the education level of the local social group seems to be the engine for successful cultural projects. The higher the representation and active participation of the population, the greater is the social control and authenticity of the initiatives. By authenticity, I mean what is authentic for the social group, what local people identify as theirs and what is authentic in space and within a certain time period.

The spirit of initiative from a community in participating and interacting with governments defines success or failure in many preservation interventions. For this reason, I believe that the participatory approach, including citizenship, cultural appropriation and social awareness, is essential in the preservation education curricula as a vital part of learning based on competencies. Consequently, learning becomes a journey of discovery as well as an initiative for dealing with things and people (Lakerveld and Gussen, 2009).

Competency-based learning is the development of high quality teaching and learning through the development of key skills, such as social and civic consciousness and cultural appropriation.

In my point of view, the goal of preservation education is to promote the personal development of students, making them able to make decisions over their lives and to intervene socially, thus transforming the places in which they live. Learning competencies make students critical, able to solve problems and make decisions (Ministry of Education, 2015). Through preservation education, students will have to face challenges posed by the teacher, the group and the society. Students learn how to face challenges by mobilizing competences toward significant problems that have meaning for the students.

In my point of view, cultural educators, are then responsible for developing and implementing (Lakerveld and Gussen, 2009):

1. Meaningful contexts, where students learn to respect local values and practices, as educators look for meaningful contexts in which students can experience the relevance and meaning of competencies acquired in a natural way.
2. Multidisciplinary approach: wherein competencies are holistic and, consequently, the pedagogical approach needs to be holistic and integrative as well.
3. Constructive learning: learning is conceived as a process of constructing ones' knowledge in interaction with all related actors (students, teachers, community), rather than as a process of absorbing pre-arranged knowledge.
4. Co-operative, interactive learning: in which educators help learners develop and construct their own knowledge and seek ways to make optimal use of other peoples' competencies in their learning itinerary. Cooperation and interaction are both domains of learning, as well as vehicles of learning in other domains. This requires an open approach in which education includes dialogues between learners and educators about needs, goals, choices, and expectations.
5. Discovery learning: open learning processes require learning that can be characterized as active discovery, as opposed to receptive learning. This means not only that course content should be made available and accessible but also that the way of acquiring this knowledge or these competences is more than a process of being provided information. It goes beyond the 'jug-mug' system where students are recipients to be filled up by teachers. Learning should always be embedded in a discovery-based approach
6. Reflective learning: competency-based learning requires an emphasis on learning processes. By reflecting on ones' own needs, approach, progress, results, and motivations, students develop learning competencies/strategies in a process of 'learning to learn.'

7. Personal learning: in competence-oriented theories, learning is conceived as a process of constructing ones' own personal knowledge and competencies. Knowledge, strategies, and information only become meaningful if they become an integral part of ones' body of knowledge and competencies. In education, this implies that students need to be able to identify with contexts, people, interests, and situations that are part of the learning domains in question.

Active learning in realistic situations, in which students have a distinct and valuable role, makes the learning process a worthwhile event with outcomes that will prove useful in many other contexts. The process that leads to the acquisition of competencies involves three basic elements: motivation, experience, and reflection, and to accumulate experience students need to be engaged in productive work environment.

Competences are then mindsets of cognitive, socio-affective and psychomotor character, which when mobilized and associated with theoretical knowledge or experiences, generate know-how. Performance is related to concrete issues and is ensured by the competences. Competences are learning to do and not do alone. Therefore, the result I expect with the application of learning by competency is that students, through changes resulting from this kind of learning, can better understand the world, learn to criticize and contribute to social change, where inclusion and solidarity are their main goals.

## **Conclusion**

Despite all the preservation education issues presented in this paper, I can see that the main problem for preservation education in Brazil seems to be the fact that politicians are apparently reluctant to change the current system. Any investment in transformative education may disturb the existing power relations and this not seems to be desirable by political groups. For centuries, the so-called developed world - particularly Western European nations - colonised, subjugated, and oppressed people worldwide for political and economic gain. Society and political leaders embedded authoritarianism and directiveness into our culture. This educational system was designed to keep people 'in the dark', thus facilitating governments' power control and reinforcing the gap between governments and their people. The changing of power demands new educational strategies for the reformulation of institutionalised power imbalance systems. I found a similar situation in other Latin American countries where I have been working, such as Mexico, Colombia, and Chile.

I believe new strategies can help to improve preservation education in Latin America. These strategies are based on concepts such as critical pedagogy and empowerment, participatory approach, shared management, transformative learning, and meaning centred education. Basing our preservation education for cultural management on these standards seems essential for preparing professionals capable of identifying potentialities, opportunities, comparative and competitive advantages, problems, limits, and obstacles; establishing sustainable goals; determining strategies and priorities; and monitoring and assessing results in order to gain the required capacity to plan and manage the process of local development in a shared manner.

Cultural heritage preservation education curricula need, therefore, to focus not only on technical aspects but on enhancing socio-cultural awareness, critical self-reflection, citizenship education, ethical judgement, among other subjects required in preparing professionals for planning, implementing and managing sustainable strategies.

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# **Leadership in a multicultural environment within the field of performing arts: A case study on the creation of a summer project in leadership and performing arts management through a student exchange between USA and Europe**

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## **Abstract**

The cultural world of today has been changed significantly towards a bigger global network. Due to the growing awareness of multicultural society in all parts of the world, Hogoort (2000) argues that the most important task of a contemporary arts manager is to determine the importance of globalization to his or her own cultural organization. The changes in the performing arts profession that have taken place during the past half century should not be ignored. Conservatory performing arts training that is deeply rooted in the nineteenth century should be challenged in order to meet the demands of the twenty first century (Polisi, 2005). Engaging in dialogue about the arts in networking situations outside the performing arts world would increase the likelihood of seeking support from others in various art projects. This idea could be used by management theorists and practitioners in finding answers to how they could perceive their own cultural organization in a global perspective. The objective of a summer project in leadership and performing arts management that would take place in Greece, 2017 would be to discuss the intercultural awareness and better the understanding of different social and political environments through field work, focus group discussions and joined art projects between graduate students from Shenandoah Conservatory in Virginia, USA and students from Serbia, Czech Republic and Greece. The results of this summer project would lead to further discourse on important issues for implementing theoretical research work within the practical experience of arts administration and management infrastructure in both Europe and USA cultural sectors. Conclusions drawn both from anticipated problems and resolutions of building an intercultural student research team in the field of arts management would promote cultural diversity through international collaboration.

Keywords: multicultural society, leadership, performing arts, cultural exchange, collaboration

## **Introduction**

The traditional image of conservatories as elite institutions that are removed from the reality of society is changing due to the evolution in audiences, society and the performing arts profession. These changes include the growth of multicultural communities, the impact of new technologies, changes in the nature of audiences and consumers, and the higher standards of artistic quality that they demand (Amuseen and

Smilde 2007). For these reasons, it is important for professional performing artists (musicians, dancers and actors) to have a deeper understanding of both managerial and artistic leadership roles in contemporary society. It will help them in interacting with other performing artists within their working environment as well as with the audience. The artistic leader of an orchestra, dance company or acting group will also be perceived as an educator whose goal is to provide the artistic vision that can align with and be supported by the members of the performing group. Artistic leadership requires the judgment to create and frame a project that will succeed, and will enable the participants to hear, see, feel and understand the connections that are integral to the creative process (Renshaw, taken from Smilde, 2009). On the other hand, being the public figure in the media, the conductor, choreographer or play director should be perceived as an educator whose goal is to bring the art and the world of the performer closer to the audience.

Due to the growing awareness of multicultural society in all parts of the world, Hogoort (2000) argues that the most important task of a contemporary arts manager is to determine the importance of globalization to one's own cultural organization. The changes in the performing arts profession that have taken place during the past half century should not be ignored. Conservatory performing arts leadership training that is deeply rooted in the nineteenth century should be challenged in order to meet the demands of the twenty first century (Polisi, 2005). Management theorists and practitioners must engage in a conversation to reposition cultural organizations within a global perspective. The question is, does the current curriculum at performing arts institutions in Europe and America prepare their students for these kinds of challenges? Are the students able to take the initiative in the global performing arts market of today?

The objective of the summer project in leadership and performing arts management that would take place in Athens, Greece, 2017 would be to discuss intercultural awareness and better the understanding of different social and political environments through field work, cultural visits, focus group discussions and joined art projects between graduate students from Shenandoah Conservatory in Virginia, USA, Faculty for Media and Communication in Serbia and Janacek Academy in Brno, Czech Republic. The results of this summer project would lead to further discourse on important issues for implementing theoretical research work within the practical experience of arts administration and management infrastructure in both Europe and USA cultural sectors.

## **1. The origins of the summer project development**

Reflecting on the experience of students from differing cultures in a previous student exchange project in Belgrade in 2015, while working on a collaborative performance for the local audience, the challenges in cross cultural communication within the team became clear. Observing the newly developed team going through the struggle to find common ground and to create a shared understanding of their concept for the performance in the local community of Belgrade provided insight on the process of building an intercultural team. This challenge was expressed by one of the participants (student 1) in the intercultural team as follows:

The language is the biggest issue for me. During our meetings we are communicating in English but for both of our teams it is not our first language so there are many misunderstandings...I am getting lost with our new concept of the local performance because I can't express myself clearly during our team meetings. Whenever I start talking I get worried about the proper grammar, how many mistakes I make in one sentence so I can't get my message across. Then I turn to my colleagues from Serbia and start talking to them because it is easier. At the same time other members of the team start speaking in Czech to each other and soon we have two teams instead of one.

This was the moment when the process of intercultural awareness began. The issue of difficulties with language became a problem, demotivating some members of the team while heightening the challenge and motivation for others. After several team meetings it became clear that the students who had the most

patience, flexibility, clarity and innovative ideas became the informal leaders of the team. They started using different communication tools such as singing, playing music or drawing pictures and symbols through team building games to interact with each other in a more relaxed environment. For their discussions, they picked less formal topics that all of them could participate in such as “dating, travelling, finding jobs after school”. Students who were able to build trust and empathy from others within the team started leading them and creating common ground for their future work.

This international collaboration between students in the field of art management was initiated four years ago at Janacek Academy in Brno, Czech Republic JAMU where students and professors from JAMU and Faculty of Media and Communication in Belgrade, Serbia FMK developed a new platform for discussion on the professional profile and current position of the art manager in the 21<sup>st</sup> century. The main topic of discussion was the *cross cultural teaching methodology for art management courses* that included lectures and workshops for profesors and graduate students in art management from Janacek Academy in Brno, Czech Republic, Academy of music and drama in Bratislava, Slovakia, Mikkeli University of Applied Science, Finland and Faculty for Media and Communication, Belgrade, Serbia.

Continuing the collaboration work in the field of art management by promoting cultural diversity though external relations, JAMU students from Czech Republic visited the Faculty for Media and Communication in Belgrade, Serbia in September, 2015. The objective of the research within the Art Management Infrastructure (AMI) project was to examine intercultural awareness and better understanding of different social and cultural environments through field work, discussions and joined art project presentation between JAMU students from Czech Republic and FMK students from Serbia. In April 2016 students from Serbia visited and observed the work of JAMU students in Brno, Czech Republic at the ENCOUNTER Festival that they were hosting.

The summer project in Athens, 2017 is based on the idea of student exchange between Shenandoah Conservatory in Virginia, Faculty for Media and Communication in Serbia and Janacek Academy in Brno, Czech Republic providing the opportunity for students in the field of art management from these countries as well as the host country to share their knowledge and experience by developing intercultural student teams for research work in the field of art management, engaging and responding to new developments in arts, economics, societies and education.

This project continues with the idea of intercultural awareness where in European students will be joined by US students within the field of leadership in performing arts and art management, finding common ground issues within cross cultural leadership possibilities in global performing arts markets of today.

## **2. Cross cultural leadership**

According to Northouse (2010) globalization has been rapidly developing in the last ten years as people around the world have become more interconnected through international trade, cultural exchange and use of worldwide telecommunication systems. He further argues that globalization has increased the level of interdependence between nations in economic, social, technical and political aspects creating the need for better understanding of how cultural differences affect the quality of performance practice. As a result of this phenomena, designing multinational organizations or managing organizations with culturally diverse employees becomes a major challenge (House and Javidan, 2004).

The position of the arts manager has evolved as well, demanding new competencies in cross-cultural awareness and practice. In the framework of global discourse, the art manager should develop in depth understating of the impact of globalization on their own cultural organization, including areas such as continuity, artistic innovation, competitive advantage and practical thinking (Hogoort, 2000).

The important dimensions of cross-cultural leadership such as trust, empathy, transformation, power and communication that Grisham (2006) and Goleman (2002) talk about should not be omitted. Goleman

emphasizes the need for emotionally intelligent leaders who demonstrate the competencies of self-awareness, self-management, social awareness and relationship management. Grisham points out that living in the world of virtual teams and short schedules, building trust has to happen quickly despite the fact that the process of building and nurturing trust requires time and patience. Grisham (2006) further argues that there is a strong connection between trust, empathy and communication. In order to understand another person's perspective there must be explicit information (dialogue, body language), context (education about a culture), reflection and re-engagement.

However, Drucker (2000) makes the compelling remark that "What can be learned cannot be taught, and what can be taught cannot be learned". This idea poses the question of cross cultural leadership skills development and knowledge transfer where the ability to communicate complex tacit knowledge such as cultural attitude cannot be taught. Grisham (2006) further argues that in a global marketplace it is essential for time to be available for the translation of explicit information into tacit knowledge.

These are the reasons why student exchange programs should be more developed between Europe and US. One of the main goals for such programs is to provide graduate students of arts management and leadership to experience different cultural attitudes, ways of thinking and solving problems, work habits and cultural values systems. Through various experiences gained in the summer exchange program that will take place in Athens, students will further develop their skills of cross-cultural leadership by sharing and adapting to new transcultural leadership visions of today.

### **3. Culture and leadership**

Another aspect of leadership in a multicultural environment is the influence of different cultures on the leader-follower relationship building process. Adler and Bartholomew (1992) discuss the idea of cross-cultural competencies that need to be developed within leadership in globalized societies of today. One of the crucial points they make is the necessity for leaders to adapt to living and communicating in other cultures, which requires relating to people from a position of equality rather than of cultural superiority. Along with this idea Ting-Toomey (1999) argues that leaders in global society need to be able to create transcultural visions. In order to clearly articulate and implement those visions in culturally diverse workplaces, leaders need to acquire a challenging set of competencies and communication skills.

Before discussing further about the impact of transcultural visions on multicultural environments it is important to define the meaning of the word *culture*. According to Northouse (2010) many anthropologists and sociologists have debated and defined it in dissimilar ways. One of the definitions that Northouse (2010) cites in his work is that culture presents the learned belief, values, rules, norms, symbols and traditions as shared qualities of a group that make it unique. Another similar definition is that culture is the way of life, customs and script of a group of people (Gudykunst and Ting-Toomey, 1988).

Other concepts that have a significant impact on how leaders influence others in multicultural environments are ethnocentrism and prejudice. As Northouse (2010) points out ethnocentrism is the tendency for individuals to give priority and value to their own beliefs, attitudes and values within their group over those that belong to other groups. It is the perception of people that their culture is better and more natural than others. He further argues that this way of thinking could become an obstacle to effective leadership because it prevents people from understanding and respecting other points of view. Thus the real challenge for cross cultural leaders is to find a good balance between accepting the other culture's values system while at the same time remaining grounded in one's own cultural values. Again, the question of trust and empathy (Grisham, 2006) that was mentioned earlier in this paper becomes very important in the relationship building between leaders and members of cross cultural teams.

Prejudice goes beyond ethnocentrism and refers to judgments about others that are based on previous decisions or experiences. As Ponterotto and Pedersen (1993) point out, prejudice involves inflexible

generalizations that are resistant to change or evidence to the contrary. Furthermore, it is a largely fixed attitude, belief or emotion of an individual about another individual or group that is based on wrong or unsubstantiated data (Northouse, 2010). Therefore, another challenge for cross-cultural leaders is dealing with the prejudices of the followers as well as their own prejudice for different cultural environments. Since both ethnocentrism and prejudice prevent individuals from fully understanding and appreciating the unique experiences of others, it is the leader's responsibility to find ways to negotiate with followers from different cultural backgrounds on the shared vision and behavior of the group.

#### **4. The thought process in development of the summer project Greece 2017**

In the process of developing the platform for the cultural visit of Shenandoah Conservatory students in Athens, Greece the following questions were proposed to be the central point of discussions: What are the advantages and disadvantages in creating new artistic visions in an environment with strong cultural heritage and historical background? Does the presence of old traditions and value systems present some kind of ethnocentrism that could become an obstacle in creating transcultural visions? Does lack of contact with and understanding of other cultures inhibit successful arts leadership within one's own culture?

Another issue that became important in the discussions of the previous AMI Project in Belgrade, 2015 was the common use of the word "globalization" and how the phenomena effects work on an intercultural level in the field of arts management. Furthermore, what would be the obstacles of intercultural teams that operate in virtual environments? Since there is more emphasis on the cross cultural leadership aspect in performing arts, the next project in Athens, 2017 will include the topic of finding correlations between promoting universal values system through storytelling of Ancient Greek philosophers and "globalized" value system in the arts society of today. This will include investigations of Theory of Mind that begins with Plato, continues through Descartes, and into the current research of how cognition and emotion interact in the human brain.

The key issues on finding connections between globalization and the development of new cultural environments in global as well as local communities throughout this project correspond to Hogooort's (2000) ideas of cultural impacts of globalization and the increased level of a nation's interdependence that was proposed by Northouse (2010).

#### **5. Transcultural leadership vision development**

Instead of trying to find the answer to the question, "what is the profile of the professional performing artist in the twenty first century?" the project in Athens will focus on the artistic leadership role played by professional musicians, dancers or actors in contemporary society. We will explore the ways in which artistic visions of performing artists influence members of their audience on local as well as global levels. The idea of performing artists having an impact on social and political changes in contemporary society coincides with Sicca's interdisciplinary approach to arts policy and management studies (Sicca, 1997).

As the student intercultural team of the AMI Project in Belgrade was developing their own cultural space and working on their final presentation for the audience, more practical aspects of work were discussed during their visits to cultural organizations as well. These practical aspects included the development of sustainable global arts management vision geared towards basic management functions including production, marketing, organization, finance and cooperation.

Following this idea, both JAMU and FMK students were asked to formulate artistic visions that corresponded to their global ambitions, emphasizing globalization of cultural and artistic processes through a series of practical exercises. Students of the AMI Project were asked to propose a new model of the globalized cultural institution by analyzing the economic, social, cultural and technical conditions that will be needed in order to realize their global ambitions. Issues such as organization, finance and cooperation were brought up in debates. Students explored the possibilities of private and public funding of globalization, and what kinds

of sponsorship would be interested in supporting bi-national (Serbian – Czech) or international cultural organizations.

One of the most interesting ideas that came up between the students from both countries was to create an international space for art managers and performing artists who could spend some time in the same working space, exchanging ideas, creating short-term projects or performances for the local audience. As it was described by one of the students (student 2) in the AMI Project:

So, these young entrepreneurs would live and work together in this international space for limited amount of time. They would pay for accommodation but would also be able to use the space for work, team meetings, performances.... It would provide some kind of hub for art managers and artists to meet from all over the world.

Creating joint space for students from other countries to meet each other, exchange ideas and create new projects is the essence of globalized society of today. The goal with the next project in Athens is to continue with this idea of building intercultural teams who will create transcultural visions in performing arts globalized environments.

## **6. Methods for researching the promotion of cross cultural leadership through student exchange program between Europe and USA**

The acquired data presented in this case study will be used from the qualitative research methods including the observation technique, debates, informal discussions, field notes and personal reflections. As the participants of the previous AMI Project, five students from JAMU and five students from FMK participated in the research that took place in September, 2015 in Belgrade and in April 2016 in Brno. The topic of the research was the importance of globalization to their own cultural environment. In this paper, quotations from the end debates and informal discussions were used to illustrate the positive correlation between the development of an intercultural student team and the deeper understanding of cultural diversity through cultural external relations by engaging and responding to new developments in arts, economics, societies and education in both countries.

According to Patton (2002) there are three different ways in approaching the qualitative interviewing process which include the informal conversation, general interview guide approach and standardized open-ended interview. In this research the open-ended interview approach has been used since all participants in debates and informal discussions were graduate level students of art management with professional experience that are deeply involved and affected by the issues that were discussed.

The next phase in the research process of a summer project in Athens includes informal discussions and online debates between the planners on the topic of cross cultural leadership in the performing arts, including such elements as building trust, developing empathy and communications skills as well as creating transcultural visions. Based on these discussions the summer program curriculum will be designed.

## **Conclusion**

Research projects such as the 2017 summer program in Athens may be very effective in stimulating development of intercultural student teams for research work in the field of leadership and arts management by having the students engage and respond to new developments in arts, economics, societies and education. The collaboration between Shenandoah Conservatory, Faculty for Media and Communication in Serbia and Janacek Academy in Brno, Czech Republic that will take place in Athens will increase intercultural awareness and better understanding of different social and political environments.

Results of the previous AMI Project had positive effects on the improvements in the FMK course curriculum in the field of art management within the ongoing reaccreditation process and reforms in Serbian higher education. These changes were made by implementing different aspects of highly successful models of the

same type of courses at JAMU arts management program that had improved the current course curriculum at FMK. The reason why this project continues in Athens is to expand the idea of implementation of successful models and curriculum development through cultural student exchange between Europe and the United States. The research results of both projects will enhance discourse on the important issue of implementing theoretical research work within the practical experience of arts administration and management infrastructure in these countries.

In this world of highly demanding markets in the professional performing arts business, students of the performing arts should develop, mature and grow in two different areas of expertise. They should acquire managerial work and leadership skills as well as in-depth artistic training that would prepare them adequately for multiple tasks that require interdisciplinary skills in the field of professional performing arts. As cross cultural leaders and performers of today we have the responsibility to accept change as a crucial part of our professional careers, constantly adapting to new challenges that we are facing in the future, and helping society to accept those changes with contemporary approaches to knowledge and training. By creating student exchange programs, it will help the students to become effective and powerful cross-cultural communicators and create career success as artistic entrepreneurs of today.

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# **The importance of connecting cultural management, cultural entrepreneurship and cultural intrapreneurship when speaking about managing cultural organizations**

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## **Abstract**

The recent revision of literature considering the management of cultural organizations makes us note that different investigators discuss topics like Cultural Management, Cultural Entrepreneurship and Intrapreneurship. However, they analyze them independently. At the same time the concept of Strategic Entrepreneurship has been increasing of importance among the research community. This concept is only in a starting point but the case studies presented do not include cultural organizations. Also those studies only consider the external environment variables. Like that, this research will try to innovate by introducing the Strategic Entrepreneurship in the cultural field and as the articulation of Cultural Management, Cultural Entrepreneurship and Cultural Intrapreneurship. For this, the case study of Casa da Música was chosen and a mixed methodology used. The findings show that the cultural organization of this century should meet the concerns of both external and internal environment and work in a Strategic Entrepreneurship way.

Keywords: Cultural Entrepreneurship, Cultural Intrapreneurship, Cultural Management, Cultural Organizations, Strategic Management.

## **Introduction**

Traditionally, management has been associated with organizations with the purpose of obtaining profit, and for-profit (NPO) this concept did not have much significance because it was believed that these organizations did not need to be managed (Drucker, 1999). Currently, growth, development and complexity of the organizational structure of NPOs demonstrate the need to establish guidelines and expert guidance on how to effectively manage organizations and therefore the use of appropriate tools (Carvalho 2005; Ferreira and Proenca 2015).

In this sense we speak of cultural management and more recently of Cultural Entrepreneurship. For Cultural Management is defined as the set of strategies used to facilitate appropriate access to cultural heritage by society. These strategies include the proper planning of economic and human resources and the achievement of objectives in the short, medium and long term to enable carry out such planning. For Cultural Entrepreneurship means the combination of various aspects that result in something new and appreciated by the cultural sphere (Scott, 2012). Thus, this concept refers to the process of leading a cultural organization from three perspectives: formulate a clear and proactive cultural mission in order to provide a direction; find a balance between economic and cultural values; and maintain the cultural infrastructure around the organization itself (Hagoort, 2007).

Both concepts seem concerned with the management to the external environment. However contemporary management chains emphasize the concern of compatibility between external and internal environment. In this sense, there is talk of Intrapreneurship as a method whose goal is to foster entrepreneurs within the organization. So organizations take on the challenge of developing their employees in order to strengthen their ideas and to implement them (Pinchot, 1985). As this work relates to the management of cultural

organizations it is now proposed the development of the concept to Cultural Intrapreneurship. Similarly, when attempting to connect Strategic Management of Cultural Organizations with Cultural Entrepreneurship, a new concept is discovered: the Strategic Entrepreneurship.

In another perspective, and given the current globalization environment, feels that non-profit organizations need to adopt a management model as a business if it were (Chad, 2014). However its contours have not been completely defined (Anheier, 2000).

For these reasons are set out below a proposal for a management model of cultural organizations, where the Strategic Entrepreneurship contributes to a good organizational performance and consequent creation of value, from the articulation of the variables Cultural Management, Cultural Entrepreneurship and the new concept now proposed of Cultural Intrapreneurship.

## **1. Cultural Management**

The Cultural Strategic Management (hereinafter referred to simply by Cultural Management) is assumed as the starting point of this research work. For this purpose, it will be presented in this chapter two central concepts: Strategic Management vs. Cultural Management.

Thus, the Management assumes the existence of an organization, that is, several people who develop a joint activity to better achieve common goals. Like that, the management task is to "interpret the goals and turn them into action" through the "planning, organization, direction and control of all efforts in all areas and at all levels of the organization, in order to achieve these same goals" (Ebewo and Sirayi 2009: 284; Santos 2008: 27; Teixeira 1998: 3). As managers are involved in the management process, then the functions they have to perform are: to plan, to organize, to recruit, to manage / lead, to coordinate, to inform to budget and control.

The strategy, in turn, should detect changes (sometimes invisible, but real) that are emerging and prepare the organization for them. Only then can, in a sustainable manner, create value for lenders and customers, allow constant innovation and improve the positioning of the organization in the business value chain. But to achieve these objectives, the strategy should be translated into operational terms and should be aligned with the people, processes and infrastructure.

Therefore, Strategic Management can be defined as all management decisions that determine the purpose and direction of the organization. Similarly, it includes objectives, goals, activities and policies that follow in order to achieve those goals. Recently, Maksima (2015) defined Strategic Management as involving the resolution of key problems in the activity of an organization: the choice of business in which the organization will involve, and the choice of competitive strategy that will allow the organization to have profit. And Filho (2005) pointed out the benefits of Strategic Management that are summarized in Figure 1.

**Table 1 – Strategic Management Benefits**

<ul style="list-style-type: none"><li>- The executive team and employees are driven to share a vision of business;</li><li>- The resources and the organization's efforts are directed to the priority objectives;</li><li>- Emerging market opportunities are perceived and exploited with greater speed;</li><li>- Changes in society and in the market and its impact on the competitive position of the organization are quickly identified and monitored; and</li><li>- Critical systematic reviews are an instance of the strategy against the results and changes in the competitive environment.</li></ul>
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Source: Adapted from Filho (2005)

In short, the strategic management can be understood as the process of formulating and implementing plans that guide the organization (Johnson et al., 2007), reinforcing the idea that strategic management combines

planning and decisions related to their implementation, evaluation and monitoring. The Strategic Management is therefore a form of management where planning and control functions take the manager to consider their activity towards the achievement of future results instead of a past experience.

The starting point for strategic analysis is the study of external and internal environment. For some authors to create value by an organization assumes take great rivalry between this organization and other industry actors such as: suppliers, target audience, new competitors or substitutes. From the external analysis result threats and market opportunities and from the internal analysis result strengths and weaknesses. It is the combination of these two analyzes that take strategic options which subsequently lead to the formulation of functional policies within key areas of management (Porter 1980; Pinho 2014).

The cultural facilities and cultural organizations are varied and have the following objectives: maximize revenues and minimize costs; maximize the number of visitors; encourage/discourage the demand as needed to align it with the existing capacity; maximize the return cost and effort expended over a calendar year of work; maximize the number of cultural offerings and maximize the personal interests of employees (Boorsma and Chiaravalloti, 2010). Soon, its goals are very similar to the management needs of other types of organizations and, as such, require the adoption of the same administrative principles.

However, the specificity of cultural organizations imply an adaptation of the concepts related to the strategic process in cultural organizations. Therefore, there is a talk of a vision for culture, taking into account all the organizational aspirations. In this sense, cultural organizations activity plans should contain short, medium and long-term objectives geared to the needs of that market. Another important variable to consider is the mission (understood as the purpose) and goals (understood as the targets to be achieved for this purpose) of the respective cultural organizations (in a broad sense) or its cultural projects (in a narrow sense). In a perspective of cultural management discourse also adopts the concepts of strategy, policy, planning, implementation and monitoring, promoting the adoption of a Strategic Management (Pinto, 2007).

## **2. Cultural Entrepreneurship**

So far, it has been a concern of this research work to analyze the management of cultural organizations by the administrative perspective. However, and in periods of change they must adopt an entrepreneurial attitude. According to Dacin, Dacin and Mat (2010) the concept of entrepreneurship is associated with the creation of value, as for Gries and Naud (2011: 222) Entrepreneurship "can be both a resource as a process", in that, "contributes to expande human capabilities and the means to provide the ability to work or increase income levels and thus accumulate well-being."As for the entrepreneurial orientation of individuals, can be detected by identifying the presence of the following variables: desire to innovate, to take risks, proactiveness, competitive aggressiveness and autonomy (Ağca et al., 2012).

When addressing the types of this concept, Dacin et al. (2010), meet the cultural entrepreneurship concept that then develops. Therefore, this concept was first used by DiMaggio (1982) who defined it as a capitalist function applied to culture, where the cultural agent identifies an opportunity, assuming subsequently the risk of developing and spreading their vision in order to produce something with cultural value. This concept has this designation from either the context in which it operates both the impact and perception of culture in society (Johnson, 2007).

In another way, Baron and Shane (2005) define cultural entrepreneurship in a business sense, that is, the same to want to understand how the opportunity to create something new (new goods and services, new markets, new production processes, new uses for materials or new ways to use existing technologies) appears, it is discovered or created by specific individuals, who subsequently use various means to exploit them or develop, generating numerous effects on society or community.

In the background the cultural entrepreneurship relates to the strategic management of cultural organizations (such as theater companies, circus, dance, music bands or artists) with a view of finding the best markets

and cultural suppliers and their respective prices competitive. Therefore, the Cultural Entrepreneurship then is the organizational philosophy of the XXI<sup>st</sup> century; a new instrument used in the areas of Arts and Culture and scientific research, and according to Hagoort (2007: 5) and to Bridgstock (2013: 123), works at this time, in the "identification of their fundamentals".

### **3. Cultural Intrapreneurship**

Authors such as Adams, Licht and Sagiv (2011) report that the concept of entrepreneur is not only the individual who creates an organization. Also those who occupy top management positions as directors of organizations or those interested in its existence (commonly referred to as shareholders) can be dubbed entrepreneurs. Thus, according to these authors, the values that shareholders have in common with entrepreneurs are achieving organizational health, competitiveness and ability to risk. The difference is in how each is positioned in the entrepreneurial performance. So while the directors of organizations address values such as achievement of objectives; power of self-direction; affiliation or independence; shareholders are concerned with getting organizational health, competitiveness and ability to risk. In any of the cases and according to Schwartz (1992, 2007) top managers and shareholders are nicknamed as strategic managers. The same authors add that there is also a difference between top management and middle management. In this regard, the directors of organizations are more pro-shareholder as more defend entrepreneurial values, in particular values such as greater range of goals, power, self-direction, while the middle management although not exhibit a level of shareholder orientation, not put to the shareholders' interests. The behaviors of these policies "doers" can predict and guide their behavior in external attributes of the directors, which are common to shareholders in topics such as affiliation or independence. They are therefore designated as intrapreneurs.

By intrapreneur Pinchot (1985) believes that it is someone who has entrepreneurial skills and uses them in the organization rather than in creating a new business. Thus, intrapreneurs can help implementing innovative strategies or processes and, therefore, are individuals who go beyond their range of functions (also called of job description by Munoz-Doyague and Nieto, 2012), creating value for organizations where they work. They are employees who have not requested initiative, but also do not feel the obligation to ask permission for acts they practice, ignoring negative reactions. Their proactive behavior arises from its status quo and focuses on achieving an opportunity without worrying about whether the resources they hold are sufficient to get there because they would do it in any way.

As for Intrapreneurship is the spirit of entrepreneurship within the employees working in an established organization (Rekha et al., 2015). Therefore, organizations take on the challenge of developing its employees in order to promote and conduct their ideas. For no effect, it is necessary to correlate Intrapreneurship with Human Resources Management.

In another way, middle management and employees make up the human resources of an organization and are, according Canni (2014) the key to keep the organization in such a competitive market. To achieve the required performance they need to be managed strategically. So Strategic Human Resource Management is the tool that organizations use, for the development of intrapreneurship, to the extent that intentions and plans are defined and related to general organizational considerations such as organizational effectiveness or to more specific aspects of human resources management, such as; resource mobilization, learning and development, reward and employee relations. At the same time, the organization promotes the desired performance of employees, particularly in terms of: competence, cooperation of employees with managers, cooperation between employees, display of employees capabilities; motivation, commitment; attitude and presence.

Provide an organizational environment that allows people to make proposals for changes, with room for trial and error without the potential for threats or personal constraints becomes an important element in building

innovative teams and is the starting point of intrapreneurship (Hornsby et al., 2002). Innovation is also linked to the entrepreneurial environment, and both are provided by incentives of top management and fundraising for new ideas, new products or new processes. With those teams are encouraged to proactivity and intrapreneurs are identified. (Degen 2009; Desiderio et al. 2015).

So far, no studies have proposed the concept of Intrapreneurship applied to cultural organizations. However, some authors argue that the creative and innovative environment of the arts is, by itself, a facilitator for introducing a new concept, the concept of Cultural Intrapreneurship.

As well as management experience level is related to the level of training or the helpful advice from experts to start a business, also the level of education has a positive effect on entrepreneurship when advised by professionals. This reasoning when transposed to the cultural and creative industries identified the following independent variables: education, culture on risk tolerance, the person's experience in discovering opportunities and rootedness in social networks.

The cultural facilities that claim to work for a strategic management and cultural entrepreneurship should therefore start by promoting the training of its members in these areas. To this end, it is recommended the contemporary trends of training in hard skills and soft skills. According to Porfirio et al. (2016: 1-2), the hard skills are directly related to the technical skills and to the capabilities and result of previous knowledge. These skills are more related to, for example, the maturity of the business or entrepreneur skills, among others. The soft skills are the result of emotional intelligence and personal entrepreneurial characteristics (Robinson and Stubberud, 2014). These skills are more related to the risk aversion and the motivation to explore business opportunities (Bolton and Lane, 2012).

Are unknown, however, what are the variables that contribute to the Cultural Intrapreneurship. Therefore, it is proposed of this research work, to check if the variables accepted for the phenomenon of Intrapreneurship also apply to cultural institutions.

#### **4. Strategic Entrepreneurship**

The development of this work is to realize that, today, organizations (cultural or non-cultural) struggle with the search for a good organizational performance and consequent value creation.

Measuring organizational performance is complicated. In recent years it has appeared several theories to bridge this problem, in particular theories based on qualitative methods for the measurement of tangible assets (eg strategy measures) or intangible assets (such as, for example, the knowledge level) (Rajnoha et al., 2016).

The purpose of this research goes to the concept of Strategic Entrepreneurship. Concept that reconciles the external dimension notions of Cultural Management and Cultural Entrepreneurship and the internal dimension notion of Cultural Intrapreneurship. Thus, according to Chang and Wang (2013) Strategic Entrepreneurship is the combination of the pursuit of entrepreneurial opportunity and demand of strategic advantage in order to achieve competitive advantage and consequent wealth creation. In other words, the Strategic Entrepreneurship is the process of exploration and development activities in the pursuit of growth and wealth creation.

The same authors define Strategic Entrepreneurship as a strategic perspective of entrepreneurial activities. It is also a strategic activity with an entrepreneurial mindset. Management Entrepreneurship emphasizes innovation, creativity and seeking opportunities. The Strategic Management focuses on creating competitive advantage for an organization. Entrepreneurial activities are the identification and pursuit of opportunities that competitors cannot identify or capture. They have an exploratory nature and aim to establish future competitive advantages. Strategic activities are the development and exploitation of existing competitive advantages for entrepreneurial activities.

The concepts of Strategic Entrepreneurship and Open Innovation have recently been discussed by researchers for various applications of innovation at the organizational level. (Tsai and Law, 2016: 569). According to this perspective Strategic Entrepreneurship is to undergo innovation activities by recognizing opportunities, market positioning, resource allocation and opportunity of exploitation under uncertainty and risk, for the creation of wealth. Consider innovation as a concept has encouraged experimentation (with new organizational arrangements) and reconsider what types of entrepreneurship that are more effective.

This idea is related to the concept of corporate entrepreneurship or entrepreneurship of employees and argues that organizations choose to seek collaborative innovation as a strategy should be able to develop the skills, structures and processes to support a collaborative approach. For collaborative innovation Miles, Miles and Snow (2005) understand that it is the creation of innovation throughout the organization, by sharing ideas, knowledge, experience and opportunities.

For these reasons it is claimed that the model of Strategic Entrepreneurship now proposed is the articulation between the variables of Cultural Management, Cultural Entrepreneurship and the new concept of Cultural Intrapreneurship. Similarly, and according to this new perspective, strategic management becomes more entrepreneurial and changes from the traditional approach to the strategic entrepreneurial approach. With this, a new philosophy of cultural organizations management appears which promotes strategic agility, flexibility, creativity and continuous innovation. Employees as members of the organization can also be integrated in the process and thus suffer the transformation of administrative employees to intrapreneurs (Rascão, 2014).

## **5. Proposed Model and Research Methodology**

### **Model of Strategic Entrepreneurship**

From the literature review conducted, it was found that no models of Strategic Entrepreneurship for the organizational performance of cultural facilities exist, as well as which combined both the internal and external environment aspects. In this work we suggest the concept of Strategic Entrepreneurship, which benefits the organization, to the extent that promotes their employees loyalty through the mentality development, a business culture and an entrepreneurial leadership. To this end, and in the case of cultural organizations, it is proposed that this concept integrates the variables of Cultural Management, Cultural Entrepreneurship and Cultural Intrapreneurship. Together these three variables contribute to the improvement of the organizational performance, which fosters its value creation. In figure 1 is presented a Strategic Entrepreneurship Model by using the configuration approach. With this is expected to provide a solid theoretical foundation for future empirical research.

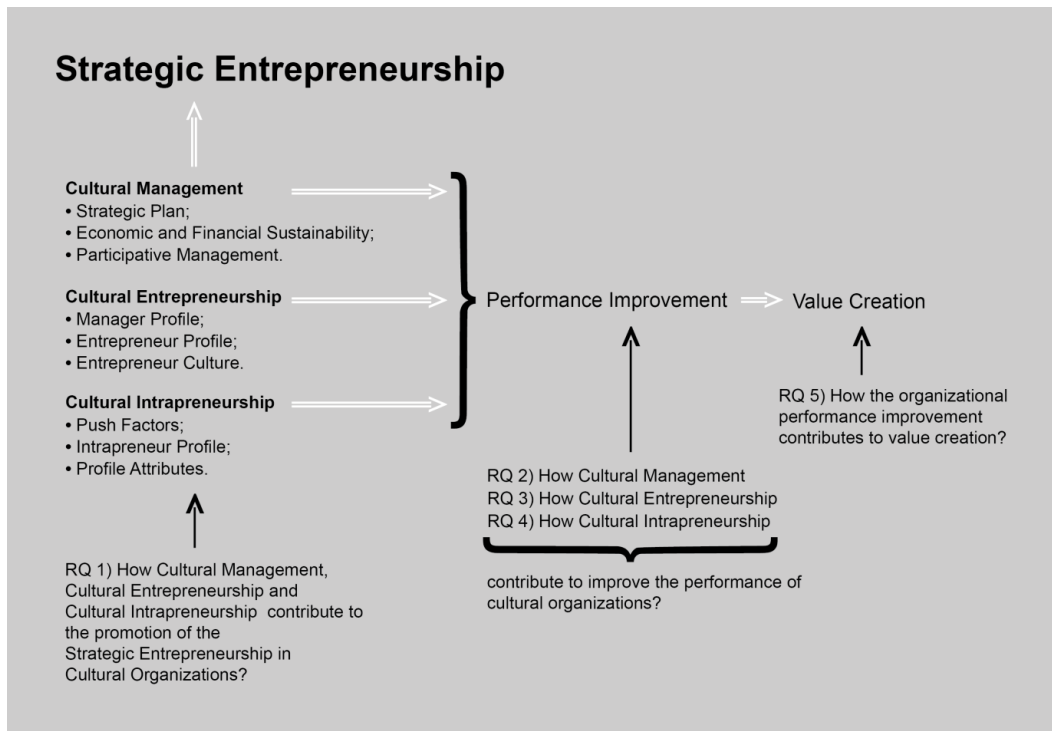
### **Case study, Research Methods and Data collection**

Regarding the research steps was used the case study method of Casa da Música and a qualitative and quantitative methodology. The Casa da Música is an important concert hall of Porto, in that it was built as part of the Porto project for the European Capital of Culture 2001. Although its work has just been completed at the end of the first half of 2005 immediately became a city icon and, as such, one of the reasons for choosing as appropriate.

Similarly, the fact that there are not many cultural institutions with identical structure and organizational performance in Portugal, justified the choice of the Casa da Música as a case study. In addition, there was in the previous work of raising cultural organizations that the concept of cultural management addressed in the literature review, it is not implemented in most of them, which led to the conclusion that few would meet the necessary conditions for development of the research. Indeed, most of the cultural organizations are still not administered by individuals with training in management, but on different areas of Arts and Culture. By contrast, the Casa da Música presents between directors and top managers, founders and patrons and

employees and middle management, individuals with experience, current or previous, in multinationals or companies, assuming that this phenomenon could be a facilitating factor when approach to concepts such as Cultural Management, Cultural Entrepreneurship and Cultural Intrapreneurship.

Figure 1 – Strategic Entrepreneurship Model



For each type of methodology different technics were utilized. More specifically, for the qualitative methodology the technics used were the in-depth interviews and the focus groups. For the quantitative methodology a questionnaire was used. Also the samples were different considering the technics and the variable being studied. In another way, the in-depth interviews were implemented to a sample of the Board of Founders, to the Chief Director and to the Directors of the main departments of Casa da Música and intended to assess the concepts of Cultural Management and Cultural Entrepreneurship. Similarly, middle managers and employees were inquired to assess the concept of Cultural Intrapreneurship and two different groups of public of Casa da Música attended *Focus Group* (respectively: public without bonds to administrative activities in cultural organizations and public connected with administrative activities in cultural organizations). With these two techniques (inquiries and *Focus Groups*) was sought, on the one hand, to evaluate the existence of the concept of Strategic Entrepreneurship in Casa da Música, and, on the other hand, was intended to understand if the new model now proposed will represent a source of improved performance and value creation in cultural facilities at a time of shift of paradigm and sustainability of cultural organizations.

## 1. Discussion of Results

The five groups participating in this study (respectively directors and top managers, founders and patrons, public with and without experience in Cultural Management and intermediate employees and managers of the Casa da Música) when faced with the concept of Strategic Entrepreneurship confirm its presence in Casa da Música when mentioning the existence of the variables Cultural Management, Cultural Entrepreneurship and Cultural Intrapreneurship. Next it will be justified the presence of each variable.



The Cultural Management is manifested, according to the populations studied, in the existence at the Casa da Música, of a Strategic Plan, with the constant concern for Financial and Economic Sustainability of the cultural equipment and the practice of Participative Management of all members in the process of managing. In this regard, respondents public (regardless of whether they have experience in managing cultural facilities) state the concern of the Casa da Música in the search for new management strategies, the bet on a diverse audience, to have a cultural project and follow a business management model in accordance with the procedures described above. In another way, directors and senior managers and founders and patrons refer to the concern with the existence of a strategy and a programming / cultural offer for the achievement of a Cultural Management. Also the sample of interim employees and managers confirms the existence of cultural management practices in the Casa da Música by referring, first, that in the exercise of their functions perform management tasks (for example, organize, implement the measures defined by Strategic management, planning or control) and, on the other hand, that, as a cultural organization, the Casa da música demonstrates good cultural management practices.

Although it is possible to identify three levels of implementation (respectively, strategic planning, tactical planning and operational planning) all planning activity is the responsibility of top management. This is justified by the level of decisions that must be taken and the fact that their action involves activities such as defining the mission and objectives, analysis and strategic diagnosis, identification of alternative strategies and strategy formulation, implementation, return or feedback and control (Carvalho and Filipe, 2006). These aspects are highlighted, in general, for all groups when identifying the existence of a business leadership by the managing director (other than a cultural leadership as reported by the public with experience in cultural management). Similarly, are shown, in a specific way, the intermediate employees and managers when they refer to the level of relationship and communication between employee/managing director (in the case of employees who did not have any kind of relationship with cultural management, it is evidenced by the employee for meeting the managing director's instructions, but with freedom given to perform their duties); the relationship between employees/directors (which is evidenced by the fulfillment of his instructions defined in institutional documents such as the business plan and participate in defining the vision, mission and objectives) and employee /middle management relationship (patent in compliance with its instructions set institutional documents such as the business plan, in the invitation to participate in defining the business plan, defining the vision, mission and tangible products).

In addition to the existence of a Strategic Plan, Cultural Management is reflected in the constant concern for Financial and Economic Sustainability of Casa da Música. In this regard, directors and top managers refer to the best use of resources, self-financing, as founders and patrons refer to resource consumption or indicators of efficiency and effectiveness and intermediate employees and managers productivity and feature efficiency indicators and effectiveness, in particular the contribution to the improvement in revenues and lower costs. In another perspective, and in the opinion of the public, with and without management experience, and the founders and patrons, there is an incorrect value (monetization) of the building space.

The Cultural Management is still evident in the call for a Participative Management of all members. In fact, the Participative Management is a set of principles and processes that defend and allow regular and meaningful involvement of employees in decision-making, aiming through this participation, commitment to results (efficiency, effectiveness and quality). This involvement is manifested in general, the participation of employees in defining goals and objectives, problem solving, in the decision making process, access to information and control of implementation. It can take different degrees of power and responsibility and affect both the organization as a whole or each employee and his job, although it is always geared towards achieving the organization's objectives.

The empirical study allowed knowing different views of analysis in groups. So while the public without experience in managing presuppose the existence of participatory management of employees, given the

proper care they receive when addressing the Casa da Música, the public with experience in management think otherwise, as that attributed to that cultural equipment a "eucalyptus effect", that is, it absorbs all the cultural offerings around, not inviting participation in joint projects. Similarly, mentioned that the participation of the founders and patrons is confined to seeking a corporate image, communication and visibility strategies, displaying a *nouveau-riche*. In contrast, the discourse of directors and top managers punctuate Cultural Management practices where they are asked to reviewer's participation in administrative management and the founders and patrons are invited to take part in two annual meetings, which also have the opportunity to provide feedback and participate in various management initiatives.

In the opinion of founders and patrons, the administrative role is the responsibility of the Board of Directors and subsequently being transmitted in bi-annual meetings. Finally, and in the intermediate employees and managers perspective there is a limited participation with regard to the relationship with the various top management positions and the definition of the mission and objectives and activity plans.

The Cultural Entrepreneurship is manifested, according to the groups that participated in this study in the Manager Profile, the Entrepreneur Profile and the existence of an Entrepreneurial Culture in the Casa da Música.

All groups in analysis identify these characteristics in the manager profile of the Casa da Música, more or less, kinking. Thus, the concern for compliance with the principles of organization, management, adaptation to change is regular references in their speeches, while freedom, autonomy and citizenship emerge from some of the texts, regardless of group analysis. In addition, refer to the Casa da Música have a "tremendous" schedule strives to work a wide range of musical types, but does not invite the other houses of music of Porto to work together.

The groups participating in this study identify the profile of the Casa da Música manager more as a business manager and less as a cultural manager. This reality is directly observable in the public comments (with and without experience in Cultural Management) and indirectly observable in the other groups. Thus, according to the public, the profile of the Casa da Música manager is institutional, business owner or manager without cultural characteristics. As for directors and senior managers the Casa da Música manager profile is characterized by being assertive, motivator, critical and with seriousness and ambition values. Despite this, directors and top managers recognize the need for this profile to be able to combine music expertise with technical knowledge management. In the case of the founders and patrons, but also directors and top managers, such a profile features for being a leader. As for employees, they admit perform management tasks such as "organize", "plan", "coordinate" or "control" to "implement the measures defined by the Strategic Management", not be applicable to them "be enterprising and creative freedom" or "have independence in the cultural processes" and consider that the Casa da Música as a cultural organization, integrates much in its mission and objectives Entrepreneurship, although the boost only moderately in its structure and its processes.

Apart from the Management Profile, Casa da Música Cultural Entrepreneurship still manifests in the entrepreneur profile of its agents. The groups participating in this study recognize there is a profile of the entrepreneur of the Casa da Música patent both in its different levels of management, and in the Casa da Música organization. Therefore, directors and senior managers and founders and patrons identify a set of entrepreneurial characteristics both in terms of the Casa da Música, both in terms of its cultural managers. Among them are: "innovation", "leadership", "creativity", the "vision", "adherence to the project and identification with the project Casa da Música" and "values professed by their cultural managers" (eg, credibility, openness to all kinds of music and democratization of culture).

As for public refer to Casa da Música Entrepreneur Profile reflected in the "innovative educational services", the "Entrepreneurial Leadership" and the "house of all music" Similarly, the intermediate sample of employees and managers confirms that the Casa da Música as a cultural organization, is part of the

Entrepreneurship in its Strategic Plan. However, this finding is most visible in its mission, values and strategy than the level of the driving practices of entrepreneurship at its structure and its organizational processes. This aspect is highlighted when faced with the professional performance of the individual as an employee of the Casa da Música. Indeed, and despite employees evaluate how creative is the performance of their duties, they recognize the lack of opportunities to participate in proposing innovative cultural activities for the public or to adopt competitive practices (Benchmarking) of more innovative and creative way or to have artistic and entrepreneurial freedom. Similarly, identify the cultural entrepreneurial profile more in the directors and managers than in the founders and patrons. However, all the entrepreneurial action led by the founders and patrons in the biannual meetings for approval of the report and activity plan and make suggestions to management strategies presented in such meetings, suggest the opposite view.

The Entrepreneurial Culture is also one of the variables of cultural entrepreneurship and according to participants has a dual role. On the one hand, supposed to know to launch new projects with autonomy, ability to take risks, responsibility, intuition, ability to project abroad and the ability to react and solve problems. On the other hand, it also means knowing how to conduct other projects with the same spirit of innovation, responsibility and autonomy.

From the answers obtained from the participating groups it is possible to identify the existence of an Entrepreneurial Culture in the Casa da Música. Therefore, while directors and top managers speak of two kinds of cultural entrepreneurs, respectively the cultural entrepreneur project Casa da Música and the cultural artist entrepreneur, the founders and patrons speak of an entrepreneurial strategy and entrepreneurial leadership, already in perspective of the public with and without experience there is a lack of entrepreneurial cultural leadership. More specifically, the public with management experience speak of a space where there is room for discussion and concern with an Entrepreneurial Culture; the public without management experience speak of an entrepreneurial cultural offer and of an entrepreneur work with patrons. Finally, intermediate employees and managers also refer to the cultural entrepreneur project Casa da Música (in that among the factors responsible for the Casa da Música create value is the fact that it foster entrepreneurship and creative production) and cultural entrepreneur employee (instead of the artist as referred by directors and managers).

In the view of the groups that participated in this study, the Cultural Intrapreneurship is manifested in the push factors, in the intrapreneur profile and in the profile attributes. At the level of the push factors of Intrapreneurship, directors and senior managers and founders and patrons refer the concern to involve employees in the Casa da Música practices. Similarly, directors and top managers emphasize the feedback of this performance given by managers and founders and patrons speak about a call for responsibility by those managers. These statements are partly confirmed by intermediate employees and managers, as it appears that, regardless of the position they hold, are responsible for management tasks, revealing to have plenty of capacity to manage these tasks. However, the autonomy to do so is limited to implement measures agreed by the directors and top managers or to be guided too by defined objectives, on the one hand, by the Chief Executive Officer and the directors, and, on the other hand, by how they manage their time and organize the performance of their work. Similarly, and as the organizational relations with the managing director and directors, it appears that these managers provide instructions on institutional documents to be fulfilled and give freedom to employees only at the level of performance of their duties.

As for intrapreneur profile of the worker of the Casa da Música is manifested in job satisfaction and quality of organizational performance. The job satisfaction of employees and middle management is appointed by the founders and patrons when referring to be pleased in working with Culture. Similarly, it is appointed by the founders and patrons and public inexperienced in Cultural Management, when referring to the motivation and commitment, job satisfaction and identification of employees with the organization.

Finally, among the attributes of the profile, directors and top managers claim appreciate the employees and

middle management, features like "be ambitious", "innovative", "creative" with "ability to solve problems", "aligned with the strategy", "responsible" and "proactive". Similarly, intermediate employees and managers refer being "very innovative" "very creative", features that once again are complemented by qualities of intrapreneur profile "sensitivity" and "imagination".

At this level of the attributes of intrapreneur profile, intermediate own employees and managers refer to the importance of being "very open to change" (52.3%), while directors and top managers propose to be proactive. Finally, while directors and managers regard as employee profile attribute "have flexible working hours," employees "rather consider working fair weather."

## Conclusion

The literature review in conjunction with the empirical study carried out, confirm the initial assumption of this research work, that to meet the current challenges of management, cultural organizations should promote the Strategic Entrepreneurship practices. This model reconciles external and internal environment, in that it articulates Cultural Management, Cultural Entrepreneurship and Cultural Intrapreneurship. It thereby contributes to a good organizational performance and consequent creation of value for internal and external public and community of cultural facilities.

If initially sought tools to improve the way of implementing cultural management, it was found that those organizations already have concerns, more or less marked, with administrative matters and, given its creative and innovative nature, have better structure to encourage entrepreneurial practices, both at the strategic top level and at the level of intermediate employees and managers.

Interesting to be noted from the discussion of results that the problem which troubles the different actors of cultural management are organizational citizenship issues, which result perhaps from the recent attacks to the current democracies.

Like this, and for future researches it is recommended to conduct similar studies in other countries to see if the categories now raised, match or not, the Portuguese external environment or a specific period of crisis controlled by a program called Troika.

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# Typology of the organizations of creative industries based on the factors affecting strategic management

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## **Abstract**

The article addresses the issues of strategic management and how it is influenced by evaluation practices, strategic challenges and enthusiastic mind-set in the organizations of cultural and creative industries. First, the factors affecting the internal and external environment of the Organizations of Cultural and Creative Industries will be discussed. Then, the differences between five (5) identified clusters will be described. Conclusions are drawn based on the differences between the “evaluation-friendly” and “evaluation-hesitant” clusters of organizations. The authors are convinced that regular evaluation of organizational performance leads to the higher competitiveness of organizations. Therefore, the Systems theory and Neo-institutional theory are used to frame the internal and external factors that explain the practices of organizational performance in the organizations of cultural and creative industries. An agenda is offered for future research, focusing on the correlation between profit-earning and strategic thinking in creative industries.

Keywords: cultural and creative industries, creative organizations, evaluation of organizational performance, strategic management, measurement of performance.

## **Introduction**

The role of the organizations of cultural and creative industries among the contemporary workforce is globally growing, whereas this is the fastest growing sector of the world economy (UN Industrial Development Organization, 2013). Therefore, the creative industries have an important role in the creation of employment and added value in the economy (Asia-Europa Foundation (ASEF), 2014). For how long the cultural and creative industries will be the engine of the new economy depends on the organizational level and on the ability to stay competitive. According to a Danish study on creative industries (Tscherning & Boxenbaum, 2011) organizations in the creative industry have acknowledged the need for a new know-how with regard to strategic planning. Therefore, it is important to detect the challenges that prevent organizations from thinking and acting strategically.

The hypotheses of the authors were that organizations in a highly competitive environment are aware of- and active in the measurement of organizational performance, whereas this is the key success factor for their competitiveness. Therefore, the authors were interested in finding out why some organizations of cultural and creative industries plan and measure their performance and find it useful, while others do not practice the measurement of organizational performance on a regular basis. As a result of the study of 460 organizations, the following potential critical success factors for the competitiveness of the organizations of cultural and creative industries were mapped: the lack of financial resources, a highly competitive

environment, an innovation-oriented mind-set and orientation to international co-operation. Based on the study the “evaluation friendly” and “evaluation-hesitant” organizations were described as an input for the next research (to identify whether the organizations actively evaluating performance are more successful than those who do not).

The following paper only focuses on the Estonian organizations of cultural and creative industries. The sub-chapters of the paper discuss the following issues: the strategic management of cultural and creative industries, the factors influencing the daily strategic management, the theory of the evaluation of organizational performance and the organizations in cultural and creative industries.

## **1. The background**

Estonia is on the 33<sup>rd</sup> place among the world countries, according to the Global Creativity Index (Florida et al, 2015), while the neighbouring Nordic Countries are positioned on the 5<sup>th</sup> - 8<sup>th</sup> places. The authors believe that the main factor behind this is the fact that the managers in Nordic Countries run their organizations with the strategic mind-set, and among other strategic decisions have decided to measure their performance regularly. Therefore, the authors decided to conduct a study in order to indicate the factors and/or challenges that influence the strategic management attitudes and activities within the organizations of cultural and creative industries in Estonia.

The current article focuses on the concepts of “strategic management” and “evaluation of organizational performance”. According to Porter's view, strategic management should be concerned with building and sustaining competitive advantage (Porter, 1988) – the authors agree that there is a linkage between the strategic mind-set and competitiveness, and aim to prove it. “Evaluation” or “assessment” or “performance measurement” refer to the systematic gathering of information necessary for making decisions about the continuation of development of a particular exhibit or activity under study. In its broadest term, evaluation means the assessment of the value of an object. According to Stockman (2004) this can be a product, a process, a project or a programme. From systems perspective, the evaluation might be seen as one autonomous system within the management system (Cola pinto & Porlezza, 2012). In the frame of the current research, “evaluation of organizational performance” is seen as a sub-activity of strategic management.

## **2. Strategic management in Cultural and Creative Industries**

According to Douglas North, institutions consist of both informal constraints (sanctions, taboos, customs, traditions, and codes of conduct) and formal rules (constitutions, laws, property rights) (North, 1991). All of them affect both – the attitudes and the activities within organizations. Despite the often long-term commercial planning horizon of businesses in the creative industries, companies in the creative industries still face major challenges with regard to strategy and business development (Tscherning & Boxenbaum, 2011).

The research of Berziņš (2011) showed that creative organizations use the same strategic management methods as traditional organizations, but with two exceptions. The period of strategic planning in the organizations of cultural and creative industries is shorter and “strategic flexibility is correlated to the compliance of management decision to the external environment of organizations and specifics of creative industry” (Berziņš, 2012). One of the conclusions may be that improvements in the decision-making process could contribute to the development of strategic performance in the organizations of cultural and creative industries.

The central question in strategic management is how could organizations identify whether they are successful or not? The study of Turbide & Laurin (2009) showed that even though Non-governmental Organisations (NGO) in the field of performing arts have acknowledged artistic excellence as their most



important success factor, while their performance measurement systems focus more on the financial than non-financial indicators. This kind of mismatch of needs and activities could be caused by the lack of know-how on strategic management and matters related to the evaluation of organizational performance. For most of the stakeholders in the cultural and creative industries, the measurement of performance is still elusive.

### **3. Internal and external factors that influence strategic management**

Menard (2014) described “organizational arrangements” as rules that may develop internal rules, codes, conventions that define the content of their governance (e.g., the internal structure of the firm) (Ménard, 2014). Those arrangements influence the strategic management of cultural and creative industries both internally and externally. Some influential factors are attitudes-oriented while the others are action-based. So far no research has indicated the key factors that characterize strategic decisions made in the cultural and creative industries. In his research Glenn Morgan has emphasized that even though actors may be strategic, they might “define their goals in a historically situated fashion based prevailing and contingent interpretation of social situations, including institutionalized values, norms, and power configurations” (Morgan et al, 2009). This should not be the case in the organizations of cultural and creative industries, since they are usually considered to be creative and innovative by their nature. Still, innovation-orientation could be one of the influencing factors and was therefore included in the current survey.

The factors influencing the strategic management within organizations may be characterized both, with attitudes and real activities. The study of Tscherning and Boxenbaum (2011) identified the key challenges that affect the daily existence of the organizations of cultural and creative industries. According to their study, the following internal challenges affect the daily existence of the organizations of cultural and creative industries: the educational profile of employees, the balance between the creativity and profit-seeking aspirations, daily activities based on the written mission statement, vision and strategy, innovation, the uniqueness of production as compared to competitors, financial management. The following external players were expected to affect the daily existence of the organizations of cultural and creative industries: dependence on external funding, the sense of security in terms of income, the level of competition, the recruitment of qualified personnel, copyright laws and other regulations. The same set of variables formed a base for the questionnaire of the current study.

### **4. “Evaluation Culture”**

Organizational performance can be measured in relation to goals, resources, stakeholders, multiple criteria or as a *System Evaluation*. The idea of *equifinality* suggests that similar results may be achieved with different initial conditions and in many different ways (Roberts, 1994). In the current context this means that the cultural and creative organizations might just follow their intuition, plan their goals and learn from mistakes. This kind of organizational learning is essential not just for development but for staying competitive. Therefore, it is important for organizations to learn how to use small changes with regard to large consequences for inducing (Morgan, 1997). The main reason why the organizations of cultural and creative industries need evaluation is because it helps both, the funder and the organization itself to ensure the maximum efficiency of their operations (Birnkrant and Heller, 2005). Birnkrant (2011) suggests that the best combination for art organizations would be to combine the external and internal evaluation.

To common sense analysis/learning and improvement/development go hand in hand. Unfortunately, people and organizations do not often make rational choices. Rational choice-driven approaches emphasize the logic of consequences. This means that actors identify their goals and then choose the most efficient way to achieving those goals. This approach fits in with the typical Principal–Agent model of rational choice in which “rational design of incentives is capable of producing an institutional system that meets actors’ preferences”. Thus, the focus in rational decision-making should lie on preferences, options, rational design, and cost

efficiency (Morgan et al., 2009).

There are a lot of evaluation models (Anttonen et al., 2016) proven to be efficient in the business sector. The majority of them cannot be used in cultural and creative industries because of the intangible nature of creative products. On the other hand, more and more art organizations are considered suitable for organizational templates both in manufacturing and service companies (Karmowska and Child, 2014). The current study did not address any specific evaluation method, but used general terms like “feedback collection” and “annual goal setting”, “comparison of results with the set goals”, etc. to measure the attitudes towards evaluation practices.

## **5. Organizations in creative industries**

Inspired by Florida et al (2015) the authors of the current paper focus on the organizations of cultural and creative industries where the concentration of “people in design, education, arts, music and entertainment, whose economic function is to create new ideas, new technology and/or creative content” is supposed to be the highest. The cultural and creative sector encompasses a number of small businesses and individual entrepreneurs as well as non-profit arts organizations. Since the cultural and creative industries are by no means homogeneous, it is difficult to apply any rules when there are more differences than similarities among the organizations in the field of cultural and creative industries. Also, their production is very unique – the organizations of cultural and creative industries produce goods and services that have a meaning and symbolic value. However, the current research did not focus on the differences between sub-sectors, but aimed to identify other factors that influence strategic management within the sector.

Potts and Cunningham (2008) make it very clear that the creative sector is not homogeneous by saying “*there is substantial sub-sectoral variety in the creative industries both over time and in terms of their business models. The substantial variation in performance measures within the creative industries cautions us that what is statistically true of the aggregate is not necessarily true of sub-sectors*” (Potts and Cunningham, 2008:7).

Usually, when talking about the cultural and creative industries, the analyses are done based on different sub-sectors (music, cinema, architecture etc.) and there are not many typologies of cultural and creative industries that do go beyond the sub-sectors. For example, NESTA’s refined model of the segments of creative industries falls into four (4) groups, bringing those sectors that have sufficient commonalities (in terms of business models, value chains, market structure and so on) as to warrant a common approach for policy (NESTA, 2006). This classification identifies the following types of creative organizations: creative service providers, creative content producers, creative experience providers and creative originals producers. However, the authors were convinced that organizations could be characterized by more factors than the type of the production and therefore decided to cluster the organizations within the current study based on the following three factors: evaluation practices and attitudes, strategic challenges and enthusiastic spirit.

## **6. Methodology**

The aim of the study was to determine the factors that influence strategic management practices in the organizations of cultural and creative industries and describe different organizational clusters based on the latent tendencies. Therefore, the study was designed as a systematic sampling survey which allowed making inferences to the whole population of cultural and creative industries in Estonia on the basis of a carefully selected subset. The authors assumed that the sub-field (for instance, arts, music, etc.) of the cultural and creative industries have a most significant direct impact on the evaluation practices and therefore, the responses were weighted in order to achieve the same proportion of organizations as in the study of 2013 (Eesti Konjunktuuriinstituut, 2013). The final sample used for this analysis included 460 respondents from all

over Estonia, representing 13 sub-sectors of cultural and creative industries. Table 1 illustrates the number and percentage of the sub-fields of participating organizations.

**Table 1 – Respondents' sub-fields**

	<b>Frequency</b>	<b>Valid Percentage</b>
<b>Architecture</b>	58	12.6
<b>Design</b>	34	7.4
<b>Performing Arts</b>	26	5.7
<b>Film and Video</b>	25	5.4
<b>Publishing</b>	29	6.3
<b>Art</b>	10	2.2
<b>Entertainment Software</b>	4	0.9
<b>Museums</b>	19	4.1
<b>Music</b>	69	15.0
<b>Libraries</b>	129	28.0
<b>Advertising</b>	38	8.3
<b>Broadcasting</b>	3	0.7
<b>Handicraft</b>	16	3.5
<b>TOTAL</b>	460	100.0

The representativeness by each sub-field of cultural and creative industries was guaranteed by the fact that all the 5 most common organizational forms were represented – private enterprises (45%), NGOs (17%), public sector institutions (16%), municipal bodies (17%) and foundations (5%). It could be concluded that the sample is sufficiently unbiased to allow inferences to the population described earlier.

### **Data analysis**

Data analysis was conducted by using the SPSS (Statistical Package for the Social Sciences). The questionnaire was relatively detailed, including 33 questions targeted at the measurement of organizational performance, strategic management and external environment of the organizations of cultural and creative industries. First, simple frequency tables and descriptive statistics were used to identify whether there was any correlation between the variables. It was considered useful to base the analysis on sets of variables and not operate with single items. In order to move from data to information, complexity was reduced on the variable level by using the factor analysis and on the case level by using the cluster analysis.

### **Factor Analysis**

The factor analysis is only significant if the variables involved are sufficiently correlated to one another. Therefore, the pre-analysis started with the Pearson correlation in order to identify whether the correlations are sufficiently strong to apply factor analysis. The Pearson correlation was applied to all the statements of the questionnaire. Analysis of data with factor analysis was considered to be reasonable, since the Pearson correlation coefficient was greater than 0.30 between 26 variables out of 33 variables. The strongest correlation coefficient occurred between the evaluation-related statements. The KMO and Bartlett's Test indicated that 82.9% of the content could be described with the factors, therefore, it was concluded that the data was suitable for factor analysis.

The results of several types of factor analysis were compared to identify the best possible solution for summary variables. Finally, the Factor analyses using the Principal Component Analysis method was opted. The analyses produced 3 initial factors with eigenvalues over 1. As the principal components extraction with Varimax rotation produced a set of factors which was the easiest to interpret, and was also superior by statistical parameters, it was decided to persevere with this type of factor analysis. The statistical parameters considered were the communalities of the initial variables, the cumulative proportion of variance described by the factor model, the evenness of the distribution of initial variables between factors, and the proportions of variance described by each factor. The final factors that emerged and factor loadings are presented in the following table:

**Tables 2 - Factors with factor loadings**

	F1	F2	F3
	Evaluation Practices	Strategic Challenges	Enthusiasm
In our organization not only will the performance be measured, but the achieved results will also be compared with the goals planned.	0.816		
In drawing up the annual plan the qualitative indicators to measure performance are planned.	0.785		
In drawing up the annual plan the quantitative indicators to measure performance are planned.	0.772		
The managers see performance evaluation as an important input to improve the performance and activities of employees.	0.765		
Our organization has developed an efficient system for analysing the performance and individual activities.	0.759		
Our organization has well-established methodologies for analysing and assessing the work performance.	0.758		
When planning new activities we take into account the analysis results of the current activities.	0.724		
The financial management and keeping the budget balanced is a challenge for our organization.		0.860	
Strategic planning is challenging for our organization.		0.858	
The justification of our own existence for funders or the public is a challenge for us.		0.699	
It is more important for our organization to do something that really interests us than earning revenue.			0.845
The employees of our organization could be characterized rather by enthusiastic activity than strive for results or profit.			0.732
The earnings of our organization depend directly on the state/local grants.			0.729

To see whether the merger of some factors would raise reliability, the statistics Cronbach's alpha as most suitable reliability test for Likert scale was calculated for every set of variables forming the basis for 3 factors. The first and second factor had a  $> 0.7$  and the last factor had  $\alpha=0.656$ . Since the current model explained 62.124% of total variance, it was agreed to accept 3 factors based on 33 initial variables.

The first factor (F1) mainly indicated the actual daily evaluation practices and partly the attitudes towards the "evaluation-culture". The strongest correlation besides the factor-variables could be found with the factor and following statement: "Daily analysis of the performance and current activities is a natural part of our work". The factor is weakly correlated to learning and development values within organizations and with the written mission statement, vision and strategy governing organizations.

The second factor (F2) indicated the main challenges that organizations face in their daily existence. Based on the strongest correlations besides the factor-variables, the following aspects seemed to be the most challenging for organizations - analysing and reporting on the activities and acting in compliance with laws. The following weak correlations indicate more moderate challenges that the organizations face in their daily activities: being innovative, making profit, having no confidence in terms of income, receiving external funding, finding customers and obtaining new orders.

The third factor (F3) mainly described the attitudes concerning creativity, enthusiasm and dependence on the state budget. The factor is weakly correlated to the statement concerning the written mission statement, vision and strategy governing organizations. Negative correlations could be found with the following statement “*We operate in the field/market, with strong competition*”. Thus, the sense of high competition seems to limit creativity and enthusiasm.

### Cluster Analyses

To better understand the latent tendencies illustrated by the factors, a cluster analysis on the basis of the same factors (F1, F2 and F3) was conducted. The goal of the cluster analysis was to divide the weighted cases into groups so that a high degree of similarity exists between cases in the same group, and a low degree of similarity between cases belonging to different groups. Before starting with the cluster analyses, the correlations of the (remaining) variables were measured again. The correlations were especially high among the evaluation sub-section variables, but nonetheless no co-linearity was discovered between the variables.

A 2-step procedure was used for clustering the cases. First, the hierarchical clustering method was performed in order to define the number of clusters. The Ward’s method as a variance method was selected – for each cluster, the means for all the variables were computed. The distance between the clusters was calculated using the Absolute Euclidean Distance. Various models were calculated and compared to find the best solution. Based on the acclomeration schedule and dendrogram 4-7 clusters appeared the suitable model solutions. This result was used as an input for the K-means method.

Then the cases were weighted and data was analysed by using the K-means cluster analysis. The following statistical criteria were considered: the reasonableness of cluster sizes, the f-values of the variables within the model (=10-161) and the clear difference between clusters as described by cluster centre values. The most suitable model appeared to be the one with five clusters produced by the K-means cluster analysis.

**Table 3 – Distribution of 5 clusters**

		Unweighted	Weighted
<b>Cluster</b>	<b>1</b>	81	93.88
	<b>2</b>	162	130.80
	<b>3</b>	63	62.99
	<b>4</b>	78	90.56
	<b>5</b>	76	80.51
		460	458.74

## 7. Results and discussion

Authors based their research on the hypothesis that highly competitive environment offering diverse challenges results in a more systematic strategic management approach, the practice of regular organizational performance evaluation. Since there are no studies discussing the managerial issues of

cultural and creative industries in Estonia, the first step was to study the field – how are the Estonian cultural and creative industries organizations alike? Second, the latent variables describing the scene were indicated in order to identify the key factors that influence the daily activities of the organizations of cultural and creative industries. Third, the analyses focused on clustering the respondents to derive the characteristics of 5 organizational clusters. The final results include the profiles of the most *evaluation-friendly* and *evaluation-hesitant* organizations.

When analysing the responses of organizations in the selected sample, it appeared that all types of cultural and creative organizations shared the following characteristics: innovative mind-set, creativity-focused approach and uniqueness of their services or products. A more precise description of organizations could be formed based on the organizational type and age of the organizations - both variables correlated with the competition and challenges related variables, but as it was just the starting point of the study it will not be elaborated further. The number of employees did not form bases for any differences – 66.3% of the participating organizations had 1-5 employees. The sub-field of organizations was important, but since the number of the organizations representing sub-fields was in a few cases not sufficiently high for statistical analyses, it was not used as an important indicator.

Zorloni (2012) suggested that the organizations of cultural and creative industries should analyse at least the following areas: public value, internal learning and growth, external relationships, and resources and finances. Accordingly the following aspects were measured in the current research: internal learning and growth (development & innovation), external relationships (orientation to international markets and expansion), and finally the resources (dependence on external funding) and finances (financial difficulties).

The authors expected the factor analyses to bring out following factors: evaluation mind-set, evaluation practices, strategic challenges, creative orientation and competition. The actual results formed slightly different 3 factors: evaluation attitudes and activities (F1), strategic challenges (F2) and enthusiastic mind-set (F3). Thus, these factors describe the latent trends that have mayor impact on the strategic management of the organizations in the field. It was identified that the organizations that depended on external funding were more enthusiastic about what they did. It needs further investigation if state-funded organizations are more enthusiastic about what they do, as they do not need to worry about their income or there are other reasons behind that phenomenon. The most important challenges that the organizations of cultural and creative industries face in Estonia are related to financial management and strategic planning. Similar results were found in a study carried out in Denmark that targeted only the private creative enterprises. The study (Tscherning and Boxenbaum, 2011) revealed that the organizations in creative industries have acknowledged the need for a new know-how for strategic planning. Not all the aspects of the evaluation of organizational performance differentiated the respondents. The core aspects concerned the annual planning, comparison of goals with achieved results, managers´ attitudes towards the benefits of evaluation, learning from previous experience and the existence of evaluation systems and methodologies.

The cluster analyses resulted in 5 clusters that are quite diverse in terms of organizational forms, sub-fields and the sources of income. The formal characteristics of the clusters are described in following table number 4. More precise information on the clusters is presented in Annex 1.

The main non-formal aspects that differentiated the clusters were the level of competition and the evaluation practices. Significant differences between clusters indicate that there is no single and uniform „evaluation“ culture existing in the cultural and creative industries – strategic management traditions are different and depend more on the resources available and attitudes towards enthusiastic mind-set.

The cluster analyses revealed that when describing the organizations based on their evaluation practices and attitudes, approximately 18% of the organizations of cultural and creative industries consider performance evaluation important and practice at least some elements of it on regular bases (cluster 1). Conversely, 14% of the respondents of the survey did not consider performance evaluation important and

avoid it even though they are the most eager to collect feedback from their target groups after each activity (cluster 3).

**Table 4 – Formal characteristics of the clusters**

CRITERIA	Cluster 1	Cluster 2	Cluster 3	Cluster 4	Cluster 5
Number and % of cases in total	94 (18%)	131 (35%)	63 (14%)	91 (17%)	81 (16%)
Type of organization	private enterprises (73%)	mixed – mainly NGOs, public sector and foundations	mixed – mainly private enterprises, NGOs	private enterprises (91%)	private enterprises (74%)
Typical field of activity	mixed	mixed – dominated by music organizations and libraries	Mixed	mixed – dominated by architecture and advertising	mixed – dominated by architecture, music
Age of the organization	over 10 years	over 25 years	over 10 years	6-25 years	over 10 years
Number of employees with higher education	the lowest	high	High	high	the highest
Dependence on state/local funding	low	the highest	High	the lowest	low
Market competitiveness	high	the lowest	low	the highest	low

Approximately 52% of the organizations (clusters 2 and 4) use the elements of performance evaluation, but do not practise it as systematically or consciously as the organizations belonging to cluster 1 (18%). The members of the 5th cluster do not have systematic or conscious evaluation practices and from managerial perspective are weaker organizations than the rest of the participating organizations. Such results are certainly a sign that the benefits of the evaluation of organizational performance have not been fully acknowledged among the organizations under consideration. Therefore, a follow-up research is planned to be conducted in order to analyse whether the regular practice of the evaluation of organizational performance leads to better financial results or not.

The most “evaluation-friendly” (cluster 1) and most “evaluation-hesitant” (cluster 3) cluster have rather opposite positions – it indicates that a more challenging environment leads to less performance evaluation practices and *vice versa*. Analysis of the reasons for that kind of contradictory strategies needs further investigation and is in the future research agenda of the authors.

## Conclusion

The article discussed the results of a survey of the Estonian organizations of cultural and creative industries. A diverse set of topics focused around the evaluation of the organizational performance activities and attitudes in the organizations of cultural and creative industries were reviewed.

There are 2 clusters that could be called the most active (cluster 1) and most passive (cluster 3) in terms of the evaluation of organizational performance. The members of the first cluster consider their business environment competitive and demonstrate both, positive attitudes towards the regular performance evaluation and a systematic approach to the regular evaluation of organizational performance. The members of the most “evaluation-hesitant” cluster (strugglers in cluster 3) avoid comparing the goals with achieved results and do not consider evaluation-activities useful or beneficial. On the other hand, they are struggling

the most with different external challenges even though they consider their business environment least competitive as compared to the respondents of other clusters. It may be concluded that the “assumed level of competition” is the striving force for the systematic strategic management mind-set. It still needs further investigation and therefore, at the next research stage, the actual financial performance of the most “evaluation-friendly” and “evaluation-hesitant” cluster will be compared, in order to find the final proof for that consideration. It is necessary to encompass some solid evidence, since the current research is based on the opinions and attitudes of the managers of the organizations of cultural and creative industries. Data, as for instance the indicators of financial performance, would balance the prospect with hard evidence. Therefore, the next research phase also foresees the addition of real financial indicators to the analyses that has dealt with the opinions and values of organizations.

The current study was also limited, since the number of the respondents of some sub-fields was insufficient for statistical interventions, thus preventing to draw any conclusions based on the sub-fields of the organizations of cultural and creative industries. Yet, there are reasons to believe that the organizations from different sub-sectors represent different strategic management attitudes and activities. It would definitely require further attention with a bigger sample available.

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## APPENDIX 1 – 5 clusters of Cultural and Creative Industries Organizations

The symbols used in the following table are as follows:

- ++ the most positive result
- + above average
- A average
- below average
- the lowest result

	Cluster 1	Cluster 2	Cluster 3	Cluster 4	Cluster 5
<b>DEVELOPMENT &amp; COMPETITION</b>					
Orientation to development and expansion	++	+	--	-	-
Willingness to improve the international competitiveness	++	+	--	+	-
<b>FUTURE-ORIENTED CHALLENGES</b>					
Expansion to foreign markets as a challenge	--	+	++	+	-
Being innovative as a challenge	--	+	++	+	-
Justification of own existence to funders as a challenge	--	+	++	+	-
Strategic planning as a challenge	-	+	++	+	--
<b>DAILY CHALLENGES</b>					
Analysing and reporting as a challenge	--	-	++	+	--
Finding customers and obtaining new orders as a challenge	--	+	++	+	--
Recruitment of the qualified personnel as a	-	+	++	+	--



challenge					
Financial management as a challenge	-	A	++	+	--
Being in compliance with laws as a challenge	-	-	++	+	--
Protecting rights as a challenge	-	++	+	+	--
<b>FINANCES AND UNCERTAINTY</b>					
Uncertainty concerning the income	--	+	++	+	-
Earning profit as a challenge	--	+	++	+	-
Receiving external funding as a challenge	-	+	++	+	--
<b>RATIONALISM vs EMOTIONS</b>					
Activities based on a written mission statement, vision and strategy	+	++	--	-	-
Employees´ level of enthusiasm vs strive for profit	--	++	+	-	+
Preference of interesting activities to profit earning	--	++	+	-	+
<b>EVALUATION</b>					
Daily analysis of the performance integrated to the work process	++	+	--	+	-
Effective system for analysing the performance	++	+	-	+	--
Learning and development values	++	A	--	A	A
Existing methodologies for analysing the work performance	++	+	--	+	-
Planning related to the analyses of past performance	++	+	--	+	-
Managers´ positive attitude towards performance evaluation	++	+	--	+	-
Achieved results being compared to set goals	++	+	--	+	-
Using quantitative indicators in planning process	++	+	--	A	-
Using qualitative indicators in planning process	++	+	-	+	--

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# Looking for new sustainable business model in cultural entrepreneurship

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## Abstract

Cultural entrepreneurship has proved a significance matter for the development of the sector, particularly in a changing context questioning the sustainability of the cultural sector organizational model.

Although business models (BM) is a key feature of entrepreneurship research, it has so far received little attention in cultural entrepreneurship research. Similarly, while the sustainability question is primary within CCIs entrepreneurs' motivations, the topic has been little investigated.

The concept of sustainability within cultural entrepreneurship refers primarily to economic sustainability, but it may also incorporate environmental and social dimensions. This echoes ongoing debates regarding sustainable entrepreneurship within the entrepreneurship literature.

We investigate, in this research, the significance and form of sustainability logics in emerging cultural BM, and the factors that influence the emergence of sustainable business models in the cultural entrepreneurial process.

This research adds to the understanding of cultural entrepreneurship and call for further research on cultural sustainable entrepreneurship.

Keywords: cultural entrepreneurship, sustainable entrepreneurship, cultural business models

## Introduction

Cultural entrepreneurship has proved a significant matter for the development of culture and creative industries (CCIs). Recent research has identified constraints CCIs entrepreneurs face, their need for appropriate entrepreneurial education or the innovative power of CCIs entrepreneurship (HKU, 2010; Schramme et al., 2015).

While the interest in cultural entrepreneurship has been renewed in the last decade, it may not be considered as a new topic. The first reference to cultural entrepreneurship may be traced back to Di Maggio (1982), and significant contributions have elaborated on the figure of the artist as an entrepreneur. However, the recent buoying interest in cultural entrepreneurship, both in the professional debates, cultural policy focus, and in the academic research, have renewed the prospect, in response to a radically changing context.

The European economic crisis has highlighted the need to renew organizational models in the sector (Bonet and Donato 2011; Schramme 2013), in order notably to ensure its sustainability. Cultural entrepreneurship echoes this challenge. The sustainability question is significant in entrepreneurs' motivations and logics, within traditional economic sectors but, more specifically, among cultural entrepreneurs, with potential effect

on both their creative choices and entrepreneurial decisions (Leiserowitz et al. 2006; Sinapi and Juno-Delgado 2015; Spence et al. 2007). Cultural entrepreneurship may be viewed as a process in which may emerge an organization favoring the possibility and sustainability of culture and arts production, at the macro-, social- and micro- level. The concept of sustainability within cultural entrepreneurship refers primarily to economic sustainability, but it also incorporates environmental as well as social dimensions. This echoes ongoing debates regarding sustainable entrepreneurship within entrepreneurship literature (Dean and McMullen 2007; Gummesson et al. 2010; Majid and Koe 2012; Nurse 2006; Shepherd and Patzelt 2011).

In this research, we investigate the significance and form of sustainability logics in cultural business models in the cultural and creative sector. We particularly question the factors that may influence the emergence of sustainable business models in the cultural entrepreneurial process.

The research is exploratory, based on case studies. It is anchored in the intersection of theoretical insights from the entrepreneurship, the sustainable entrepreneurship and the cultural entrepreneurship literatures.

The rest of this paper is organized as follows. In the first section, we justify the interest of the research in regards to the development of the concept of cultural entrepreneurship in the literature and in respect to the radical changes in the context of the sector. The second section elaborates a first theoretical proposal from insights in the entrepreneurship literature. The third section presents the research methods. The last section discusses the main results and concludes.

## **1. Contextualizing sustainability in cultural entrepreneurship**

Arts, cultural, CCIs (cultural and creative industries) entrepreneurship, artist-entrepreneur, artpreneur... these terms have proved particularly prolific in the recent years in the academic and policy debates of the cultural and creative sector. Cultural entrepreneurship has become a raising topic within the cultural management literature. Not less significantly, the topic is also emerging in the traditional economic and management research, which have so far paid little interest in the sector of arts and culture (cultural entrepreneurship emerge in generalist conference tracks, management journal special issues, or research projects).

These observations suggest that cultural entrepreneurship may be a promising avenue for research, of interest both for the cultural sector and for the so called "traditional" economy. In spite of having motivated a growing and significant number of academic contributions in the last decade (Bürger and Volkmann, 2016), cultural entrepreneurship remains however an emerging, nascent, research area. It fails, so far, to constitute a paradigmatic research field as more efforts are still to be done to structure it as a field of inquiry and practice (Beckman and Essig, 2012).

Cultural entrepreneurship is not as such a new topic of research interest, nor is the figure of the artist entrepreneur. Among famous artist entrepreneurs one may include William Shakespeare, Rembrandt van Rijn or Peter Paul Rubens, the latter very successful in his business and the latter bankrupt, Italian opera impresario, or more recently the classical music director Maxime Pascal (and the noticeable innovative entrepreneurial scheme of his "Balcon" orchestra), of whom Pierre Boulez, the famous contemporary music composer, praised not only his artistic qualities but also his "*audace et force entrepreneuriale*".

In the academic literature, the topic is not new either. The term "cultural entrepreneurship" was first stated by (DiMaggio, 1982). Both sociological, economical, and managerial approaches of the topic have been developed. Until recently, the main research avenue addressed the parallel between artists and entrepreneurs. Artists may be referred to as entrepreneurs: they are innovators and demonstrate the inherent entrepreneurial qualities. They are problem solvers, leaders with passion and vision, imagination and commitment, they create wealth in innovation, are trail-blazing, and as such the traditional approach of entrepreneurs as initially stated by Schumpeter apply to them (Blaug and Towse 2011; Swedberg 2006). Artists are yet singular entrepreneurs in many distinctive ways, that have to do with the very peculiar

sociologic, emotional, aesthetic, dimensions of arts and culture (DiMaggio 1982; Swedberg 2006). The object of their innovation is sector-specific and value-driven: it is devoted to create a "novel cultural activity" (Blaug and Towse, 2011) ; they pursue innovation to achieve cultural reputation ("something new and appreciated in the cultural sphere") (Swedberg, 2006) ; the economic / profit motive is secondary and mainly a means to achieve artistic projects; they are "entrepreneurial in the realization of cultural values" (Klamer, 2011); they combine both the artistic freedom and the freedom and enterprise ("value oriented artistic freedom" and "material oriented entrepreneurial freedom", "supportive to the cultural value") (Hagoort, 2007). This trend of research, focusing on the artist- entrepreneur, also developed a series of managerial perspectives articulating the artistic sphere and management, in creativity related research, entrepreneurial education, HR management, to mention some.

More recently, the interest for cultural entrepreneurship however embraces a somewhat different perspective. Both in the academic and public policy debates, the regain of interest in the topic is primarily a reaction to a radically changing context. The economic crisis that hit Europe in the late 2000's was associated to budget cuts, particularly severe for the cultural sector. Even if their importance vary among countries, regions, and sub-sectors, they added to the inherent fragilities of cultural and creative organizations. In addition, and maybe more significant, the crisis fueled the on-going questioning of the traditional cultural policy model: "culture is struggling to keep its place in the welfare state" (Bonet and Donato, 2011). This changing context called for innovative models, which should ensure the artistic and cultural production, and make it sustainable. Cultural entrepreneurship is among the potential solutions.

This implies to modify the research approach of the topic. Cultural entrepreneurship needs to be firstly questioned as a process through which organizational models can be forged, which would enable the production and sustainability of artistic creation. What is at stake is to make possible and economically sustainable cultural production, at the macro-, societal- and micro- level. It implies a re-structuring of the research questions: rather than investigating (solely) the figure of the artist – entrepreneur, the focus addresses the entrepreneurial process, and notably : success factors and obstacles, singularity of cultural business models, entrepreneurship education in culture and the arts (Beckman and Essig 2012; Essig 2014; Hearn and Saby 2014; HKU 2010; Scherdin and Zander 2011; White 2013). We may observe, as an echo to these perspectives, that the majority of publications referring to cultural entrepreneurship in the last decade favored a European focus and a phenomenology of entrepreneurship as a process (Bürger and Volkmann, 2016).

This suggests that investigating cultural entrepreneurship in the prospect of sustainability is both of primary importance for the sector and promising in terms of theoretical contribution. The above discussion pointed out the question of economic sustainability within cultural entrepreneurship. While this approach is very significant, we argue that it may be too narrowed and miss some essential aspects of the question. Sustainability would gain to be understood in a broader way, referring both to economic, social and environmental sustainability.

Our research aims to contribute to such a project, by investigating the concept of sustainable cultural entrepreneurship. While research on sustainable entrepreneurship has been developed recently in the field of entrepreneurship, it has so far little been addressed in cultural entrepreneurship. We view the articulation of the two theoretical prospects as promising avenues for research, as well as for managerial and policy implications. The next section elaborates on this perspective.

## **2. Sustainable entrepreneurship for CCIs: insights from the literature on sustainable entrepreneurship and business models**

Entrepreneurship is a heterogeneous and multi-faceted phenomenon (Fayolle and Gailly, 2008), observable in its natural environment: society. Entrepreneurship is a rapidly growing field in the academic community.

Although business models is a key feature of entrepreneurship research, it has so far received little attention in the CCIs sector.

### **Business model**

Business models is a concept used in entrepreneurship that describes the essence of a company, from its creation to its development. As Magretta points out "Creating a business model is, then, a lot like writing a new story. (...) Business models describe, as a system, how the pieces of a business fit together". (Magretta (2002: 4,6). She underlines the systemic nature of Business Models that content many components, and that define an in-between coherence. Business Models can also be viewed as tools to analyze, and ensure the coherence of strategic choices for organizations (Porter, 1996).

Therefore, by analyzing Business Model, one tries to understand a resources architecture driven by an internal operational logic that results from a strategic project (Truche and Reboud, 2009). This strategic project requires choices that are interdependent, and the Business Model aims at underlying these interdependent relationships.

"Every company has a business model, whether they articulate it or not. At its heart, a business model performs two important functions: value creation and value capture. First, it defines a series of activities, from procuring raw materials to satisfying the final consumer, which will yield a new product or service in such a way that there is net value created throughout the various activities. This is crucial, because if there is no net creation of value, the other companies involved in the set of activities won't participate. Second, a business model captures value from a portion of those activities for the firm developing and operating it. This is equally critical, for a company that cannot earn a profit from some portion of its activities cannot sustain those activities over time" (Chesbrough, 2007:12).

Business Model concept has been theoretically clarified and operationally developed (Chesbrough and Rosenbloom 2002; Osterwalder 2004; Lecocq et al. 2006; Jouison and Verstraete 2008). Its main applications and developments deal with: entrepreneurship training and education, and entrepreneurship process (Jouison and Verstraete 2008; Verstraete et al. 2013; Verstraete et al. 2012; Verstraete and Jouison-Laffitte 2010), understanding strategic outcomes of specific sectors (Lecocq et al., 2006), entrepreneurial technological opportunity recognition (Chesbrough and Rosenbloom, 2002), social network and value co-creation in entrepreneurship (Gummesson et al., 2010).

Osterwalder (2004) proposes a business model conceptualization that permits managers to build or develop a sustainable business model for their entrepreneurial projects "because business models are quite complex, their success is often based on the interaction of a number of apparently minor elements. Furthermore, technology increases the range of imaginable business models (Lechner and Hummel 2002). Having a business model conceptualization at hand that describes the essential building blocks and their relationships makes it easier for managers to design a sustainable business model" (ibid:15). The systemic logic of Business Model is based on the key relationship between value creation (of the product or service offer by the company) and the potential needs of its target customers.

### **Sustainable entrepreneurship**

With growing recognition of the outcomes of sustainability in business (following Elkington's "triple Bottom Line" concept (1997, 2004)), researchers have begun to explore how entrepreneurship can contribute to sustainable development as a dynamic force for change.

For some of them entrepreneurial action can resolve environmental challenges by overcoming barriers to the efficient functioning of markets for environmental resources (Dean and McMullen 2007; Cohen and Winn 2007). They define sustainable entrepreneurship by its alleviation of environmentally relevant market failures through the exploitation of potentially profitable opportunities. (Hall et al., 2010) refer to this belief that

entrepreneurs will save the day (of sustainable development outcomes) as the "Panacea Hypothesis". This unstated assumption is that "green, clean and low carbon entrepreneurs will somehow cure most of what ails aging industrial economies". This Panacea hypothesis is also supported by many green advocates (WWF 2009; Stern 2007; Friedman 2009), but whether it will prove true remains an area of active debate. Shepherd and Patzelt (2011) point out that sustainable entrepreneurship could be understood as "the preservation of nature, life support, and community in the pursuit of perceived opportunities to bring into existence future products, processes, and services for gain, where gain is broadly construed to include economic and non-economic gains to individuals, the economy, and society (2011: 137)". Asserting that economic profit is still central to the definition of entrepreneurship (Venkataraman, 1997), these researchers underline that non-economic outcomes (gains to people and society) are also important development goals for entrepreneurs and that the main challenges for entrepreneurship research is to address two main questions: what is to be developed and what is to be sustained?

Analyzing and questioning sustainable entrepreneurship impacts organizational and strategic issues for entrepreneurs, and implies research on business modelling of entrepreneurial ventures. The values and motives that give rise to sustainable entrepreneurship based on equanimity between self, others and nature, may result in specific organizing tensions that have the potential to challenge the viability of a company in a competitive market (Parrish, 2010). The challenge for the entrepreneur is to overcome these tensions (mainly by practicing tradeoffs). Business model analysis contributes to an understanding of the systemic logic driving these tensions between the different components of a company, as modeled by Osterwalder.

Business model, in this respect, constitutes a promising analytical grid to investigate sustainability logics within the entrepreneurial process. In the next section, we elaborate on this prospect. We mobilize the business model grid, in parallel with the identification of sustainable logics, in the analyses of the case studies.

### 3. Research method, cases preliminary results

The above literature review provides the context of the debate and of our research. There are two main hypothesis. (1): in the traditional sector, the Business Model driver is based on market logics (customer), while in the CCI sector artistic / aesthetic / audience driven logics are expected to predominate; (2) Business model logics within sustainable economy sectors need to be reframed, because the predominant logic is resource- (instead of market-) driven .

We investigate, in this research, the specificities of cultural business models in respect with the significance and form of sustainability logics in BM, as compared to traditional market logics and/or artistic, aesthetics or audience driven perspectives.

The research is exploratory and qualitative. We investigate two case study: a "cultural pole" : Coursive Boutaric and a cultural equipment: *Péniche Cancale*. We chose these cases because they constitutes innovative form of cultural business, and because sustainable logics were incorporated since the very start of the entrepreneurial project. We conducted in depth interviews within the structures on regular basis, and observed the development of the entrepreneurial project during a time period of three years.

The first case, *Pôle culturel Coursive Boutaric*, consists in the association of around 20 cultural organizations within a collaborative enterprise. Each organization keeps its own artistic or cultural activity, its budget, management and headcounts. Within the pole, they share resources, in particular spaces and administrative/managerial resources, learning, competencies, network, markets, they practice bulk purchasing, the pôle constitutes a lobbying voice on the territory, and a possibility to jointly access public market offers. In a lesser extent, financial risk is also shared. This shared practices and inter-organization collaboration venture addresses primarily the economic sustainability challenge. The pole is located in a deprived area of the same French city. This constitutes a strong will to contribute to the development of this

stigmatized district by setting up in its heart a series of cultural organizations. This is perceived to address the social sustainability challenge.

We primarily investigated the concept of sustainability in the cultural entrepreneur's perception. We identified economic sustainability logics as primary: it was a significant motive for the new venture, and influenced the way the organization was structured. Social dimension also tend to be present, while the environmental question was not clearly identifiable at the start of the new venture.

The second step of the analysis consisted in applying the business model analytical grid to characterize the entrepreneurial project.

The essence of the value proposition was a demand for cultural action for a place (or a space) from local politicians, inspiration from the sector tendencies (industrial spaces dedicated to cultural organizations) and key partners from arts networks.

We observe that key resources and key partners merge in that Business model: Coursive is constituted by cultural actors (these are the resources of La Coursive as soon as they have integrated the organization) that are members of the network (here they can be considered as key partners). Coursive is developing by integrating, transforming partners into resources: this is really innovative regarding traditional business model, and difficult to represent using Osterwalder's model. This result in itself is interesting and would gain to be tested in other cases: is it specific to Coursive, to the collaborative dimension of the entrepreneurial project, or may this type of interactions be singular to the cultural sector. This clearly calls for further research.

We may wonder if there was a defined strategy to choose the partners: but this was not the case, it is an opportunistic logic based on meetings with people. They yet fixed two criteria: the structure, to enter La Coursive, must have at least one permanent employee and adhere to the ethics of the project (social dimension of the project). So the main criteria is job creation and adherence to social values of the venture. This may reflect the way the social sustainability dimension interferes with the BM.

The second case, Péniche Cancale, is a boat located in a burgundy city center, that programs music concerts and offers a bar / restaurant service. The anchoring in the city harbor is not only pragmatic nor symbolic. This district constituted, at the moment where the venture was created, a socially disadvantaged area. As in the previous case, the location of the business creation was significant.

The venture was launched as a "social economy" venture. Its legal status is consistent with this positioning (SCIC). It incorporates the social dimension since the very start of the entrepreneurial project. The economic sustainability constitutes a crucial challenge from the very start. The choice for the positioning in the field of social entrepreneurship was also influenced by this economic perspective: public incentives, in the form of financial funds to fund the start-up of the venture, were a significant – although not primary- element. The entrepreneurial project, since the start, includes environmental dimensions, by favoring local procurement for food, breweries and wine, and programming a reserved share of local artists. This was not however perceived or identified by the entrepreneur as encompassing an environmental sustainable dimension.

In both cases however, the development of the entrepreneurial project combined with its anchoring in a dedicated location made the environmental issue emerge. The question is that of the preservation of the place and of the environment, with the growth of the project. The current development of both cases show an inflexion of the business models to encompass not only the economic and social dimensions of sustainability, but also its environmental aspects.

## **Conclusion**

This research is exploratory. The results presented here are preliminary results, since the research is still going on. More cases are necessary to investigate the logics and forms of sustainability logics in cultural entrepreneurship.



Some preliminary results however seem of interest.

First, the business model grid, proved applicable to the cultural sector and an interesting analytical tool to characterize and analyze cultural entrepreneurship. Preliminary results suggest some peculiarities of the cultural enterprises business models that would gain to be further investigated.

Second, the case analyses provided interesting perspectives in respect to the factors that may influence the emergence of sustainable entrepreneurship in the cultural sector:

(i) A proximity of values seems to prevail between cultural values, social economy values, and sustainability values. This proximity appears to have facilitated the shift from cultural / social entrepreneurship toward sustainable entrepreneurship. The primacy of values and the singular role they play in cultural entrepreneurship (Ballereau and Sinapi 2014; HKU 2010) would tend to confirm the significance of such driver.

(ii) The environmental dimension tend to emerge along with the development of the project. The growth of the activity itself influences the spontaneous emergence of the topic, combined with a strong commitment to the location and its heritage, preservation. The problematic relation between growth and environmental issues echoes broader debates in the field of sustainable economics (Gibbs 2006; Sternet al.1996). The heritage preservation question in the cultural sector may be of particular significance in this perspective.

(iii) The existence of public incentives to favor the inclusion of social economy perspectives have been significantly influential. This certainly relates to the inherent economic fragility of the cultural sector and its dependency upon public funds. It implies that public incentives to orientate entrepreneurship towards a better inclusion of sustainable dimensions may be efficient. This in such may be an interesting results, since previous research pointed the crowding out potential effect of financial incentives on such value driven / intrinsic motivations factors (Frey, 1994).

While this research is exploratory and still in progress, we view these preliminary results as interesting, regarding the managerial and cultural policy implications it may have.

Besides, we proposed a contextualization of the concept of sustainable cultural entrepreneurship in the development of the concept of cultural entrepreneurship. This perspective adds, in our view, to the understanding of cultural entrepreneurship and has potential theoretical implications.

Further research are still to be pursued. Our approach may open the way for future research that would focus on cultural business models and sustainable business models, in and outside the cultural sector.

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## **Ex-ante vs. ex-post: Effects of European Capital of Culture Maribor 2012 on tourism and employment**

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### **Abstract**

The estimation of economic effects of cultural events is a topic that stirred a lot of debates in cultural economics. Economic impact studies and contingent valuation have been the methods used the most, each suffering from numerous problems not least being the overblown numbers' problem. In the article we use *ex-post* econometric verification as a new and promising method in the estimation of economic effects of cultural events and apply it to the estimation of the effects of European Capital of Culture Maribor 2012 on tourism and employment. In this manner, we are able to compare results from economic impact and *ex-post* econometric verification studies and find significant differences in particular in terms of new employment. We conclude by reflection on the condition of the studies of economic effects of cultural events in cultural economics and relevance for the study of cultural tourism.

Keywords: economic effects; cultural tourism; economic impact studies; *ex-post* econometric verification; European Capital of Culture Maribor 2012

### **Introduction**

In cultural economics and economics of cultural tourism, the so-called economic impact studies have been (and still are) the most common method for assessing the economic impact and value of cultural events over the past three and a half decades since the pioneering study of Cwi and Lyall (1977). They have raised a lot of talk, in both positive and negative sense and arose and flourished especially in nineteen-seventies when the U.S. has struggled with tackling the effects of stagflation by using highly restrictive macroeconomic policies, part of the so-called "monetary experiment" (see Goodfriend and King, 1997). This meant that almost all government expenditures including culture were subject to severe cuts. To avoid a drastic cut of funds for culture, people in the cultural field resorted to economic arguments and business jargon that evaluated culture mostly through return on investment. In this context the economic impact studies were convenient tool that has served this purpose appropriately: to show that culture is an important economic factor and therefore more than worth of public (or private) investments.

Certainly, such studies have been primarily interested in "tangible" economic indicators (GDP, employment and tax revenue) bringing greater awareness of the economic importance of culture. Conversely, some authors (see specifically, Seaman, 1987; 2003; 2006; 2012) pointed to a number of problems that these studies bear almost inevitably: exaggerations in attributing all spending only to the impact of a cultural event, inappropriate use of multiplier analysis, ignoring of other values which are borne by cultural events (in particular non-use values and cultural values), and ignoring the opportunity costs. In recent years, it has

become almost a “hobby” of cultural economists to “make an own critique” of the impact studies, which as stated by Frey (Frey, 2005) are performed by the “arts people”, unlike the willingness-to-pay-studies (mostly of contingent valuation provenience) which are mostly made by the “arts economists”.

Despite the variety of these approaches, there is no consensus on the suitability of the method of impact studies in cultural economics. Many scholars are willing to completely give up the measurement of “tangible” economic categories (e.g. Frey, 2005, 2012), but some nevertheless still believe that economic impact studies can yield meaningful numbers (Seaman 2003, 2012; Devesa et al. 2011; Saayman and Saayman 2006). Above all, the last two decades have brought an increasing attention being paid to the contingent valuation method as an alternative to impact studies. As stated by Seaman (2006) it is not clear as to which part of the “value” of culture is estimated by any of the two studies (both for example estimate the use value component of the value of culture). Nevertheless, so far it has been accepted that the most credible estimation would be some combination of the two methods as a step towards assessing the value of a cultural event. However, also contingent valuation itself suffers from number of criticisms (the most well know is perhaps the study by Diamond and Hausman, 1994), which are particularly addressed to its hypothetical nature. Furthermore, there is also a number of other biases (as summarized by e.g. Venkatachalam, 2004) that can - if ignored - almost completely undermine the results obtained with this methodology. But what is perhaps even more essential: as these studies estimate only the microeconomic aspect of an event (i.e. preferences of individuals), they are therefore not able to provide answers to the very simple questions that economists (in classical sense) are usually most interested in: what are the economic effects of a cultural event on the economic system in terms of new employment, revenues of the firms, value added, and taxes raised? To what extent are these effects greater than the input in the project? And lastly, what are the factors that have the greatest impact on the economic success of a cultural event?

To solve this kind of methodological dilemma - that apparently cultural economics is currently not able to consistently fix -, in this analysis we use a third method, which relatively simply eliminates all the shortcomings of the two methods. The method is commonly named *ex-post* econometric verification in sports economics. Within this research field it has been frequently used since the article by Baade and Dye (1988), but for some reason has not found a way and usage in cultural economics (see e.g. Seaman, 2012). In this method, the verification of economic effects is made after the event takes place. The method builds on general statistical data (in our case, we used data from the Statistical Office of the Republic of Slovenia (SORS) for a variety of Slovenian municipalities – both those who were involved in the project (the six partner cities: Maribor, Murska Sobota, Novo Mesto, Ptuj, Slovenj Gradec and Velenje), as well as those (among the 212 existing ones) who did not participate in it. Based on the data collected we can use a simple “treatment and response” analysis, where the six municipalities belong to the treatment group and all the rest to the control group that did not receive treatment. With a relatively simple panel data analysis methods (difference-in-differences, linear and dynamic panel models) we can thus check on the measurable effects of the treatment on different economic factors (e.g. incomes of the firms, new employment, average monthly wages, the new tourist arrivals and overnight stays and visits to cultural events) in all six cities and in each individual partner city.

In the following, we present the results of an *ex-post* econometric verification of the prediction from the economic impact study. In the second section we propose some existing tourism indicators on the project European Capital of Culture (ECoC) Maribor 2012 using data from Public Institute Maribor 2012, and the used methodology. In the third section we show the results of economic impact study and its verification by means of *ex-post* econometric verification, including some basic robustness tests. In the final part, we reflect on the limitations and importance of the results for the estimation of economic effects of cultural events in future and research in cultural tourism.

## 1. Data and Method

The project European Capital of Culture (ECoC) is a pan-EU project, which designates two or three cities each year to host a whole year festival of cultural events. The project takes place since 1985 and was initiated by Melina Mercouri and Jacques Lang. In 2012 the title was given to Portuguese city of Guimaraes and for the first time to a Slovenian city, Maribor. As Maribor is a small city compared to other cities on European level, the city chose for its candidature to make a partnership to city municipalities in the whole Eastern Slovenian region which finally made the project take place in six Slovenian cities: Maribor, Murska Sobota, Novo Mesto, Ptuj, Slovenj Gradec and Velenje.

The ECoC Maribor 2012 involved 319 producers of all genres, and over 5900 events took place throughout the year. The sum of visitors to the events, visitors to an internet application LifeTouch, spectators and visitors of a variety of programs in the spatial interventions was estimated to be more than 4.45 million. Public institute Maribor 2012 also carried out extensive activities in the field of marketing and communication, and promoted the development of cultural tourism and connection with all tourist organizations in the region. A great increase in tourist visits in Maribor and its partner towns has been reported by local tourist organisation, yet their results differ and are much larger than the official statistics of the SORS.

In 2012, according to the Maribor Tourist Board, the city of Maribor recorded 355,000 overnight stays, which is 20% more than in the same period in 2011 (the largest increase of nights was recorded in November, amounting to 92% more than in the same month of 2011). Immediately, it should be noted that the data hugely differ for data of the Statistical Office of the Republic of Slovenia: although the latter registered a significant increase as well, the number of overnight stays - as measured by SORS methodology - is only 266,329 overnight stays.

According to the measured data of the Maribor Tourist Board, in the ECoC project there were 81% of foreign overnight visitors and 19% domestic. The upward trend in the last few months of 2012 was well above the Slovenian average. In Maribor there was a significant increase in the number of daily visitors. In 2012, the number compared to 2011 increased by 61%, only in June 2012 by 92%. The foreign visitors were mostly Austrians, which in October amounted to 55% of all visitors, followed by 15% Slovenians, 5% Germans, 5% Croats, 2.5% Russians, the remaining being mostly Italians, French and Americans. Encouraging results were also recorded in the partner cities.

As previously noted, the data generated by impact methodologies are often criticized for their methodological sloppiness, controversial methods of calculation, overblown results, as well as the fact that such effects are mainly predicted *ex-ante*, while *ex-post* results are very seldom observed (an exception being the article by Skinner, 2006). As stated by Seaman in his paper for the conference in Maribor 2012 (Seaman, 2012): "There is almost an explosion of attempts to identify "traces" of events on local employment and tax revenues after the event itself. Similar task could be made in Maribor at the end of the year to determine whether the econometric equations, which show any idiosyncratic effect of the ECoC 2012 project, disclosing any economically and statistically significant effects of the project. Studies in the economics of sports almost never find such effects!" (Seaman, 2012).

To avoid this bias and limitation, we therefore estimate also the economic impact after the end of the event itself on the basis of available statistical data and econometric methodology. We consider the effects on the number of tourist visits and overnight stays, and the number of new workplaces. To this purpose, the methods of panel data analysis, namely difference-in-differences (see e.g. Angrist and Pischke, 2008) and linear and dynamic panel models, in particular Arellano-Bover GMM "in levels" (system GMM, SGMM; see e.g. Arellano and Bover, 1995; Blundell and Bond, 1998) are used.

Such analyses are most commonly used to determine the effect of "treatment", i.e. a change in one observation unit or group of units, which was not at all the others. Our analysis is based on the assumption

that there is a “ECoC effect”, which is tangible and consistent only in the six partner cities in 2012, and nowhere else “in space and time”.

For the purpose of such analysis we use the most common econometric model specification:

$$y_{it} = \beta_0 + \beta_1 X_i T_t + \beta_2 Z + \beta_3 t + \varepsilon_{it} \quad (1)$$

wherein:

$y_{it}$  is dependent variable, in this case, the number of tourism arrivals or overnight stays, and the size of the working population in a municipality;

$X_i$  dummy variable that takes the value 1 in six cities which bore the project and 0 for those who were not directly included in the project;

$T_t$  time dummy variable that takes the value 1 in 2012 (the year of "treatment") and the value 0 in all other years;

$Z$  the matrix of control variables including regional dummies following the NUTS-3 classification; employment per capita; education (number of tertiary educated people in the municipality per 1000 inhabitants); infrastructure (length of roads in the municipality per 1000 inhabitants); rate of premature mortality (as a measure of development of the municipality); and the level of crime in the municipality;

$t$  is the (linear) time trend;

$\varepsilon_{it}$  a stochastic error term.

As reported in the theory, our “treatment” effect equals to the value of the coefficient  $\beta_1$  where the model (1) is estimated by different methods of panel data analysis (fixed and random effects; difference-in-differences; and dynamic panel / Arellano-Bover System GMM method).

We use several different aggregates for tourism and employment:

ArrTot – total number of tourism arrivals in the municipality;

ArrHome – number of tourism arrivals of home (i.e. Slovenian residents) visitors in the municipality;

ArrFor – number of tourism arrivals of foreign visitors in the municipality;

OverTot – total number of tourism overnight stays in the municipality;

OverHome – number of tourism overnight stays of home (i.e. Slovenian residents) visitors in the municipality;

OverFor – number of tourism overnight stays of foreign visitors in the municipality;

WorkPop – size of the working population in the municipality;

Employ – number of employees in the municipality;

SelfEmp – number of self-employed workers in the municipality.

In Table 1 we present some descriptive statistics for the main used tourism variables. We can see that on average, 37,905 tourist visitors arrive to each municipality, but with expected and large standard deviations. The average number of foreign visitors is almost double the size of the home visitors. There are on average 112,073 tourism overnight stays in each municipality on the yearly basis. As previously, there are significantly more foreign than home overnight stays, although the relationship is reduced in size as compared to the tourism arrivals.

**Table 1 – Descriptive statistics of the main used tourism variables**

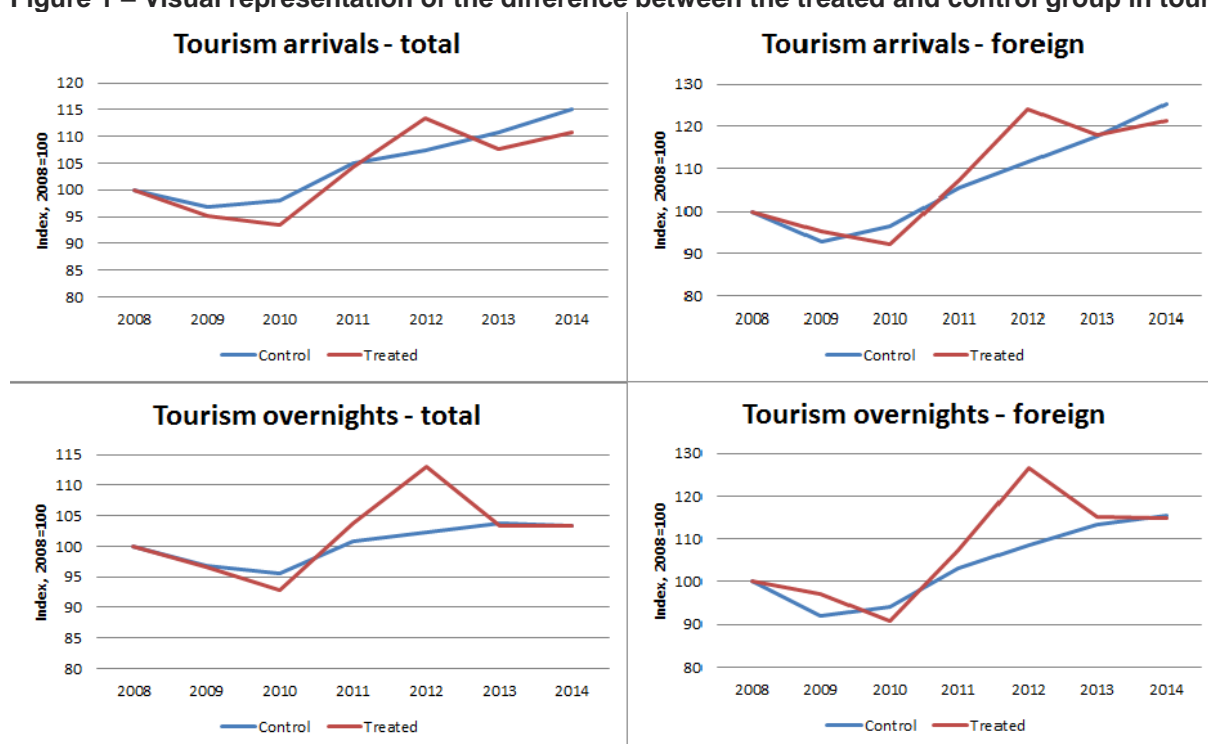
Variable		Mean	Std. Dev.	Min	Max	Observations
ArrTot	overall	37905.29	76564.13	87	562213	N = 560
	between		76461.62	329	443001	n = 80
	within		8856.58	-37728	157117	T = 7
ArrHome	overall	13580.01	24716.93	6	173429	N = 560
	between		24732.22	89	155221	n = 80
	within		2410.22	1294	31788	T = 7
ArrFor	overall	24320.26	60853.24	26	534278	N = 560
	between		60565.74	97	419697	n = 80
	within		8618.61	-51154	138902	T = 7
OverTot	overall	112072.90	214960.80	229	1400000	N = 560
	between		215523.70	747	1385714	n = 80
	within		16007.61	-29525	282870	T = 7
OverHome	overall	46003.81	87998.34	15	604805	N = 560
	between		88002.62	217	520569	n = 80
	within		9075.91	5616	130239	T = 7
OverFor	overall	65992.38	148490.10	37	977090	N = 560
	between		148407.80	116	855537	n = 80
	within		16150.87	-77506	249631	T = 7

Source: Own calculations.

Figure 1 visually presents the values of several main tourism variables for the treated (the 6 partner cities) and control (all the rest Slovenian municipalities) group as we want to estimate the expected spike generated by ECoC in 2012. Clearly, we can confirm this spike for all four variables: total number of tourism arrivals, foreign tourism arrivals, total number of tourism overnight stays and foreign overnight stays.



Figure 1 – Visual representation of the difference between the treated and control group in tourism



Source: Own elaboration.

## 2. Results

### Economic impact study

At the end of 2012 a short online survey was held focusing on the structure of spending of the visitors of the events during the ECoC Maribor 2012. This survey including several groups of visitors was taken up on three groups of places: on the scenes of the events; at the Info Points ECoC 2012; and via email contact lists of visitors who left their data at the Info Points.

Based on the above, Kovač and Srakar (2013) estimated the total direct spending (spending on the purchase of tickets to the events themselves) and indirect spending (spending on restaurants, accommodation, shopping, entertainment, etc.). To estimate the total consumption (i.e. new money in the economy), they included the induced effects in their calculation (i.e. "external" effects that the additional spending has on other sectors of the economy), using a "classical" Keynesian multiplier approach.

The total direct and indirect impact of the ECoC 2012 project on the economy was thus obtained by multiplying the average consumption by the number of visitors, divided by the average number of events. Two values can be obtained by using the mean or the median estimates. The first estimated value is therefore 35,281,507.34 EUR, while the second is 29,873,625.00 EUR. With considerable reliability can thus estimate that the total direct and indirect impact of the project lies between 29.8 to 35.3 million euros.

Moreover, to calculate the final effect on outputs, value added and employment, the authors used the estimates of the multipliers and estimated the aggregated effect (new money in the economy) of spending of the visitors of the project ECoC 2012 between 45 and 59 million euros. The aggregated effect of the ECoC 2012 project on added value was estimated between 21,688,251.75 EUR and 25,614,374.33 EUR (multipliers for 2005) or between 24,146,253.62 EUR and 28,517,336.75 EUR (multipliers for 2009).

The estimate of the total impact on employment was estimated between 354 and 418 new jobs. While the predicted total number of new jobs generated by the project *based only on spending of the visitors* was

estimated in the range of between 521 and 615 (multiplier<sup>1</sup> for 2005) or between 531 and 627 (multiplier for 2009).

Including also the directly spent funds belonging to the project budget, the final estimates of the two authors were as follows:

Impact on production - between 42,881,692.72 EUR (multipliers 2005) and 47,141,463.52 EUR (2009)

Impact on added value - between 20,617,290.67 EUR (2005) and 22,953,916.95 EUR (2009)

Impact on employment - between 495 (2005) and 505 (2009) new jobs

The aggregate cumulative effect of the two inputs:

Impact on production - between 105,708,765.70 EUR and 87,990,866.47 EUR

Impact of added value - between 42,305,542.42 EUR and 51,471,253.70 EUR

Impact on employment - between 1,007 and 1,132 new jobs.

### The effects on tourism – ex post econometric verification

Table 2 presents the results of *ex-post* econometric verification for all six included tourism variables, when we include all 212 municipalities in the analysis and separately for each partner cities (where we exclude in the analysis the remaining 5 partner cities and compare the results in the chosen city to the control group). Fixed effects linear panel models (instead of random effects) as suggested by the results of Hausman testing are used in the following analysis.

Results do not confirm an effect for the tourism arrivals and overnight stays in general – although the coefficients for total and foreign arrivals are positive, they are clearly statistically insignificant. There are also no effects whatsoever for 5 partner cities, apart from Maribor: Murska Sobota, Novo Mesto, Ptuj, Slovenj Gradec and Velenje. Interestingly, the only effect is there for Maribor, and the effects is significant and large in size. There were 19,461 new visitor arrivals in Maribor in 2012 because of the project, of which 18,248 were by foreign visitors. Furthermore, 48,362 additional overnight stays were there in Maribor in 2012 due to the project, of which 46,559 were by the foreign tourists.

**Table 2 – Effects on different tourism variables – ex-post econometric verification**

	Additional tourism arrivals			Additional tourism overnight stays		
	Total	Home	Foreign	Total	Home	Foreign
Total	2618.25	-60.33	2683.95	9412.39	699.73	8948.35
Maribor	19460.65*	1220.39	18247.65*	48362.18**	2191.53	46558.91**
Murska Sobota	-1185.05	-625.69	-555.58	-1190.45	80.29	-1281.10
Novo mesto	-2479.61	-342.86	-2133.22	-1720.49	1843.85	-3227.39
Ptuj	-1776.32	-1196.39	-571.91	3495.15	-1818.06	5657.03
Slovenj Gradec	-2074.87	586.20	-2653.39	-3363.02	2049.67	-4993.55
Velenje	-1885.56	-214.40	-1669.69	-1798.62	607.85	-2387.67

Note: Statistical significance - \*\*\* - 1%; \*\* - 5%; \* - 10%; Controlled for employment, education, infrastructure, premature mortality, crime and linear time trend.

Source: Own calculations.

<sup>1</sup> Here we use classical fiscal multipliers, based on sectorial input-output analysis (see e.g. ten Raa, 2005).

### The effects on employment – ex-post econometric verification

Slightly different are the results on the effects on employment. According to the results in impact study one would expect an increase even up to 1,100 new jobs. Unfortunately, our results show significantly different results, and somewhat surprisingly as they show some strong trends in the opposite, negative direction. The analysis is based on the SORS data where data are available for 193 municipalities for the years between 2008 and 2014, including data on the number of workforce in the municipality, the number of employees in the municipality and the number of self-employed persons in the municipality.

As shown by the results (table 3), the general effects on employment were negative, which is in line with the results of Kovač and Srakar (2013). In particular, significant and large negative effects were present in Maribor and Velenje, and were shown mainly in the drop of employees. As we control for the time trend, such results are not the consequence of common trends, but could be due to additional problems of 2012 when the financial crisis in Slovenia gained its largest momentum. We therefore provide three possible explanations for this observation which is robust to numerous specifications: a) the effects of the financial crisis, which gained momentum in 2012 and apparently overpassed the effects of the ECoC and additional spending of the tourists; b) the crowding out of employment spaces by the larger amount of precarious work spaces, mainly related to the short term employment effects of the project; c) some problems in the model related to the overlooking of some interaction or causal relationship in the model. Nevertheless, the findings are latter verified also by means of three additional estimators.

**Table 3 – Effects on different employment variables – ex-post econometric verification**

	Additional workspaces		
	Total	Employed	Self-employed
Total	-980.21***	-925.65***	-54.54**
Maribor	-3117.42***	-2922.61***	-194.76**
Murska Sobota	-126.84	-109.28	-17.57
Novo mesto	-465.79	-417.50	-48.21
Ptuj	-613.39	-557.51	-55.90
Slovenj Gradec	-459.33	-472.10	12.77
Velenje	-1316.70***	-1289.93***	-26.77

Note: Statistical significance - \*\*\* - 1%; \*\* - 5%; \* - 10%; Controlled for employment, education, infrastructure, premature mortality, crime and linear time trend.

Source: Own calculations.

### 1. Robustness checks

Table 4 presents the results of robustness checks and tests, including three different types of estimators to estimate the effects of the project ECoC Maribor 2012 on the level of tourism and employment.

Firstly, the results from the random effects model - including all the regional dummies - are mainly in line with tables 2 and 3. They show approximately 20,000 tourism arrivals (mainly foreign tourists) and 50,000 tourism overnight stays (again to be attributed almost exclusively to foreign tourists) took place due to the project. As previously, the general effects for the full group of 6 partner cities are not observable, which implies and strongly confirms that by large the main part of the effects on tourism were mainly related to Maribor. To explore to which extent do the smaller cities, being part of a cultural project with a larger city, really benefit from this project is a good research question for further analysis in cultural economics. This is in line with results of the ex-post econometric analysis of EuroBasket2013 in Slovenia (Slabe-Erker and Srakar, 2016 forthcoming) as only the Slovenian capital Ljubljana benefited from this sport event.

While “classical” difference-in-differences estimator does not provide many significant results, the results of the modelling using Arellano-Bover System GMM estimator with 2 lags (chosen on the basis of information criteria) mainly confirm the robustness of the findings. Approximately 15,000 new visitors (by large foreign) and 50,000 new overnight stays (by large foreign) took place in Maribor because of the event. Finally, random effects estimator and to a lower extent also System GMM estimator also corroborate the observation on the negative and significant effects on new employment, in particular for Maribor but also for the 6 cities in general.

**Table 4 – Effects on different tourism and employment variables – ex-post econometric verification, different estimators**

Estimator		Additional tourism arrivals			Additional tourism overnight stays		
		Total	Home	Foreign	Total	Home	Foreign
Random effects	Total	3285.72	-61.66	3665.29	9916.87	607.09	9999.04
	Maribor	20649.79*	1248.88	19967.85*	49297.13**	2166.77	48394.18**
Class. diff-in-diff	Total	8689.76	397.61	8287.93	21000.00	1936.11	19000.00
	Maribor	29000.00	1999.46	27000.00	67000.00	4149.82	63000.00
System GMM	Total	397.14	-388.80	2463.24	10637.07	-797.66	9743.12*
	Maribor	13292.73**	1210.43	14990.07***	51029.30***	1124.07	45228.94***

Estimator		Additional workspaces		
		Total	Employed	Self-employed
Random effects	Total	-1032.1***	-983.59***	-50.31*
	Maribor	-3416.1***	-3248.2***	-185.40***
Class. diff-in-diff	Total	-1700.00	-1700.00	-76.47
	Maribor	-8100.00	-7700.00	-313.72
System GMM	Total	-173.38	-10.71	-34.73
	Maribor	-1089.3***	-777.29**	11.25

Note: Statistical significance - \*\*\* - 1%; \*\* - 5%; \* - 10%; Controlled for employment, education, infrastructure, premature mortality, crime and linear time trend.

Source: Own calculations.

## Discussion and Conclusion

In this article we presented an analysis of economic and tourism effects of the project ECoC Maribor 2012. The results show that there exist significant differences in *ex-ante* multiplier analysis and *ex-post* econometric verification results. This is clearly notable as related to employment. Our results show opposite trends compared to the economic impact study which predicted large positive effects. The *ex-post* analysis pointed to an even negative and significant effect for the city of Maribor, which we attributed mainly to the problems of the financial crisis but noted also on other possible explanations for the observation.

The estimation of economic effects of cultural events is a topic that stirred presently a lot of debates in cultural economics. Economic impact studies, measuring the short-run spending impact are the tool still used the most, despite being regularly done by “arts people” and not by “arts economists” (Frey, 2005). Predominantly, contingent valuation has been presented as an appropriate tool to estimate the economic effects of cultural events in cultural economics. Although this method has better credibility in the academic

circles (although with fierce critiques of its own from some notable economists, e.g. Diamond and Hausman, 1994) it doesn't answer to three most elementary - but relevant if not fundamental - questions about the economic effects: are the effects of an event (after the event) on new employment, income, value added and tax revenues really there? What are the levels of such effects? And finally, what are the characteristics that most influenced the economic effect of a given cultural event in positive and negative manner?

To our opinion, the answer to the methodological dilemma is very simple, while not frequently discussed in cultural economics. Instead of performing economic impact studies, which are evidently misplaced and may bring controversial results, and contingent valuation studies, which answer the inappropriate questions and suffer from numerous critiques of their own, one can perform *ex-post* econometric verification. *Ex-post* econometric verification provides a much more credible report of the economic effects generated by a cultural event. As we have noted, this method has many advantages. Firstly, it is done *ex-post* and therefore measures the effect that »is really there«. Secondly, due to usage of statistical data measured under common methodologies the results can be compared across studies. Furthermore, this method is likely to be much more feasible to perform for many cultural organizations than e.g. contingent valuation studies. Lastly, it can be used to study the characteristics influencing the (economic) success of a certain cultural event. By that it can contribute to gain knowledge both for the "arts economists" as well as the "arts people" in planning cultural event in future.

The present debate on the estimation of economic effects of cultural events is therefore misfocused and misleading as it cannot address even the most basic questions. Presently, we still don't know whether cultural events really have the economic effects widely proclaimed in some "arts people" studies (e.g. KEA 2006; Americans for the Arts 2012) as no robust studies have been developed so far addressing all limitations previously pointed out. One of the possible reasons justifying the flourishing of such studies is exactly the misplaced debate in cultural economics. We strongly argue that the *ex-post* verification methodology is an important, if not the key step forward in addressing such kind of problems. Nevertheless, some sort of "triangulation" of methods (using economic impact *ex-ante* methodology, *ex-post* verification studies and contingent valuation) would perhaps be best capable of providing the answers to required questions at present.

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## **Participatory governance as a driver for inclusive cities**

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### **Abstract**

Contemporary approaches to local cultural policy are investigating the possibilities that reach beyond the economic ideology of using arts in boosting cities' potentials for economic growth and competitiveness. These new paths are based on sensitivity to local issues, inclusiveness and participation, and inciting citizens' participation in cultural planning and governance. This paper explores Croatian cultural policy by analyzing emerging models of participatory governance that stem from the context of postsocialist legacy and still underdeveloped democratic system and refer to the socio-cultural centers set up by NGOs and based on participatory governance of resources. It strives to move forward to wider inclusive arrangement where socio-cultural centers become new model of public institutions, responses to the steep inequalities of contemporary urban environments. In that sense, socio-cultural centers respond to the current structural policy deficits by becoming hybrids representing and fostering inclusiveness, rather than competitiveness as a guiding principle of local cultural development.

Keywords: participatory governance, inclusive cities, cultural policy, community space, civil society

### **Introduction**

Europe today is abundant with examples of cultural centers that use different innovative ways to actively advocate social change and build community resilience. These cultural spaces are not exclusive or uniformed, but serve as polygons of interchange and intensive public discussion. The legacy of cultural centers is very obvious in the countries of former Yugoslavia, where crisis and turbulent circumstances are part of permanent experience. The inherited institutional formats of cultural centers, or rather, the residue of their public purpose, strive for innovation, re-conceptualisation on both creative and imaginative, as well as policy framework levels. Transitional and post-transitional circumstances failed to bring concrete reformative policy frameworks that would ensure preconditions for sustainable re-definition and re-positioning of existing infrastructure of cultural centers. Rather, the shift from the state control to market dependence and exposure introduced insecurity and unsustainability as standards.

Newly instituted standards affected the whole cultural sector but particularly cultural centers, youth centers and houses of culture – cultural community spaces that were established in Croatia during the socialist period, featuring all kinds of cultural and social activities and stemming from local communities. Though they still exist as local cultural institutions, these original “shared creative spaces” lost their cultural orientation and have been marginalized in the last 20 years. Focusing on institutional forms of culture, cultural and urban planning omits the role and value of community culture not only as a human necessity but as medium for merger of physical and social infrastructure, reducing culture, youth and community centers to the role of

obsolete fragments of the previous cultural system. Pertinent issues of locality, sociality, diversity, equity and resilience remain unsolved as well as issues of decreasing levels of cultural participation and increasing levels of social segregation. Substantial public resources (financial and infrastructural) invested into public cultural sector produce minimal attachment to the existing conditions with limited number of dispersed cultural amenities that adequately respond to the social needs and change. The effects of chronic post-transitional systemic instability, coupled with the terminal weakness of public funding have eroded *raison d'être* of cultural sector in Croatia as its overly institutionalised formation reaches saturation peak. Cultural policy rationale in Croatia supports dichotomy that defines the cultural sector in its institutional and non-institutional constituent parts. Not only is this situation profoundly problematic due to its exclusive and segregative nature, it contradicts the context of contemporary social changes and reduces inner stability and sustainability capacities of cultural field. By granting public status and finances into inherited institutional sector (thereby artificially preventing failure and maintaining political control over cultural sector), cultural policy poses a question of statutory authority as a marker of continuity (not sustainability), and as such is more political than cultural.

Examples from Croatia demonstrate new emerging models which transmute the notion of cultural center from politically driven and marginalized form of cultural institution to grass-root initiated and established civil-public institutional design through involvement of “civic actors and movements in dialogue with local governments” (Hristova et al., 2015: 4). Such types of cultural centers fill the gaps in the social landscape of diverse communities and sustain social function of culture. In Croatia these “shared creative spaces”, i.e. socio-cultural centers are established by formation of strong civil society organizations (non-profit and non-governmental associations) in culture and based on participatory governance models that enable practices of sharing responsibilities in governance between multiple stakeholders (local administrative, public institutions, private institutions, NGOs, citizens initiatives, representatives of local communities, artists, etc.). In the transformative transitional period, where the policy’s priority was unquestionably given to the public institutions in culture, through strenuous advocacy process and with the support of non-governmental sources of funding, civil sector in culture managed to raise issues and incorporate them into the policy agenda that would not otherwise be addressed by the governments and decision-makers. The role that civil society organisations had in emancipating artistic and cultural resiliency in Croatia provides firm grounds of legitimacy in building the cooperative support system for sustainable development of shared creative spaces, i.e. socio-cultural centers.

By reinterpreting cultural legacy of cultural centers and homes of culture, these organizational hybrids develop notions of living public culture that is organic, participatory, grass-root and enmeshed into a tissue of everyday life and communication. In those circumstances, future policy formations have to make the strategic shift from concept of institutional singularity to multiple, ensuring wider cultural diffusion and institutional pluralism. Socio-cultural centers are, as a topic, pervasive in discourse on cultural infrastructure, incorporating “hardware” in the form of spatial resources and “software” i.e. the substance matrix made of activities and program. This paper strives to move forward from the usual position of socio-cultural centers as subdivision of cultural policies/cultural system to wider inclusive arrangement where socio-cultural centers become new models of post-modern public institutions that empower citizenship, foster social ties and increase and develop as polygons of different positions' exchange and intensive public discussions. In that sense, socio-cultural centers are imagined and constructed as spaces that, in the context of prevailing models of urban cultural development, recognize “the risks of exclusion associated with the existing cultural and urban strategies and seek ways to engage the population as a whole by making space for the full spectrum of their diverse interests” (Matarasso, 2015:135).



## **1. Transformative Policy Context for New Institutional Formats - Cultural Policy Going Local**

The situation in the development of cultural policy has significantly changed in the past decades with decentralization and urbanization of cultural policies being some of the most profound aspects of transformation. Though decentralization as a process implies territorial dispersion of cultural policy's scope, it is also a method for devolution of authority, enabling amplification of cultural democracy and participative governance practices intrinsically connected with a wide array of diverse cultural patterns that form urban hubs of globalized world. Since its inception in the second half of the 20th century, cultural policy has been articulated within the framework of the nation-state, while the regional and local policy and activities were mainly seen as somewhat subordinate to the centralized national policy (Häyrynen, 2005 in Pyykkönen, Simanainen and Sokka, 2009). The intervention of state into the field of culture led to the homogenization on an ideological level in which the representation of national culture was concealed in symbols and disseminated to all strata through the promotion of national heritage, the fine arts, etc. (Pyykkönen, Simanainen and Sokka 2009; Grodach and Silver 2013). A vast volume of literature on cultural policy, predominantly from the fields of political science and cultural studies, deals with the problematic issue of state-centered cultural policy, investigating power relations and opening critical discourses on deconstructing representational culture, contesting cultural values, multiculturalism, cultural participation and cultural democratization among other. These issues inevitably shifted the discussion on cultural policy on its formulation "in relation to the cultural needs of the population in their everyday lives (art according to the people's own conception) instead of formulating it in relation to extraneous aesthetic standards" (Kangas, 2004: 24). The focus on sub-national (spatial) dimension of cultural policy was adapted through the lens of cultural democracy and local struggles to maintain and develop cultural values of minorities and all sub-cultural groups that were ignored and disrespected by the institutional structures. As a consequence, the process of de-fragmentation of particular national culture narratives opened the prospects for more extensive and inclusive cultural differentiations and distinctions that both shape and are being shaped by institutionalized arrangements (Volkering, 1996). In discussing the possibilities for more open and democratic functioning of cultural policy, numerous authors underline the importance of civil society organizations for cultural representations, and it is possible to understand the civil society organizations in policy formulations as a counterpart or a companion of public institutions (Pyykkönen et al. 2009; Katunarić 2007; Sani 2015; Bell and Oakely, 2015). The role of civil society in "socio-economically fragmented and unequal urban agglomerations" (Jiménez, 2012: 243) is perceived as vital in affirming and securing cultural democracy. Weak interaction with civil society and poor public participation in processes of cultural governance and management indicate cultural policy resilience and obsolescence in responding to rising issues of social cohesion, sustainability, growth of civil society initiatives and irreconcilable dilemmas and expectations on cultural development and its immediate as well as long-term social effects (Jiménez 2012; Barbieri Muttis 2012).

The involvement of civil society in policy formation and modes of cultural governance is closely linked to the urbanization of cultural policy and the growing infiltration of the free market logic in the (public) cultural sphere that has been further advanced with the creative city theories that emerged during the 1990s (Matarasso, 2015). Progressive decline of the role of the state in cultural affairs has given way to the rising role of the city as "a space capable of producing knowledge about some of the major transformations of an epoch" or "a strategic site for understanding some of the major new trends reconfiguring the social order" (Sassen, 2012: xxiii). Indeed, as Isar, Hoelscher and Anheier underline, contemporary states' cultural policies are primarily concerned with what Raymond Williams referred to as cultural policy as "display", while "most exciting cultural visions, projects, exchanges and networks and developments of the day are to be found or generated by cities rather by nations" (Isar et al., 2012: 3). Still, national governments withhold the

authority in setting the regulatory frameworks and structures, which are then adopted on local levels. In that sense, the development of local cultural policies cannot be isolated from the analysis of the national arrangements and dynamics, though cities develop their own agenda and strategies. During the past three decades, local strategic planning led by the imperative of economic growth has yielded numerous typologies or directions for utilizing culture in urban planning and development. As a result, discussions on urban cultural policy have been saturated with debates on the benefits that creativity can bring in branding a city, while cities across the world have exposed their urban, social and cultural tissues to the stringent market forces and corporate interests that irreversibly changed urban landscapes through painful processes of gentrification, impoverishment, exclusion and displacements, in naming what is essentially profit-led real-estate development a creative or innovative practice in local cultural planning. Urbanization of cultural policy has been consistent with prevalence of economic interests and managerial reasoning that cause the switch in beneficiary of policy “from the nation, community and citizen to the entrepreneur, commercial organization or individual consumer” (Turner, 2012 in Bell and Oakely, 2015: 7). This change in politics of cultural policy, from communal principles of public good to individualized interests, market transactions and commercial success marks the current policy setting for new institutional formats in culture. In this line, Bell and Oakely make a caution that “if we don't keep paying close attention to what is happening in cultural policy, we may end up with wither a market –led system with minimal regulation or with decisions taken ‘on our behalf’ or ‘in our interest’ that are in reality neither of those things.” (Bell and Oakely, 2015: 7). Furthermore to move from profit and market oriented culture, “economic process of regeneration, gentrification, and commercialization of cities” (Hristova et al., 2015: 2) local cultural and urban policies have to create framework for more participatory bottom-up approaches in culture.

## **2. Case of Croatian Local Cultural Policy Development**

The situation in Croatia is particular as it amalgamates the post socialist legacy and the effects of transition with relatively sudden integration into supra-national structures and dynamics of global economic, political and cultural flows. In those circumstances, the capacity of state and the function of public sector, public goods and services has been placed under pressure to “downsize its institutional and spatial scope” (Katunarić, 2004: 20), while the privatization of formerly public assets becomes endorsed by the government as one of the major source of the state revenue. The role of the state and public administration in culture is still dominant in taking permanent care of cultural institutions, though it is unclear to what (collective) purpose does state engage in (barely) maintaining the public sector in culture. At the same time, the public sector remains reduced to politically instrumentalized format “which is ornamental and basically incapable of taking care of a growing number of young artists and cultural professionals condemned to remain outside the protected zone and look for their opportunities in the tiny field of competitive market” (Katunarić, 2004: 21). Fixation on the representative, institutional formats of culture is the key characteristic of Croatian cultural policy. Consequently, consistent planning in local cultural policy development towards decentralization and engaging in participatory governance is reduced to a stream of one-off, singled-out initiatives that emerge in spite of politically implicated and institutionally centralized system of cultural policy-making and governance. Regarding the past and present global trends in local cultural developments through city branding, these initiatives have not found their place in Croatia – moreover, cultural and creative industries are included in the cultural planning strategies only implicitly and dispersely through either urban and spatial planning or conventional schemes for public support of cultural programs. Hence, an example of an attempt to develop a creative city paradigm cannot be found in Croatia, though there are some isolated initiatives on the level of city districts (e.g. Design District in Zagreb<sup>2</sup>). The fragmentation of the local administration planning system is

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<sup>2</sup> “The Festival Design District Zagreb and the expanded project under the same name were created with the idea of uniting the communication of all existent creative initiatives concentrated in the central urban zone whose artery is Martićeva street... Design

one of the key obstacles in the development of the emerging cultural institutions as the comprehensiveness of their shape – from the aspect of governance, spatial resource management, governance, community inclusion, etc. – requires convergence in policy structures and policy transfer as a precondition for necessary policy change. In sense of authority in the domain of policy making, local administrations in Croatia have a certain degree of autonomy in shaping local policies in line with the national legislation provisions – cities or the local authorities are the founders, owners and only legislative decision-making bodies when it comes to local cultural infrastructure and the arts in Croatia. Local legislative bodies are the city councils which have the decision-making authority; they appoint the directors and members of executive boards of cultural institutions owned and (co)founded by the local administration, draw up statutes and other decrees for the cultural institutions, while the local cultural sector in itself is administered, governed, monitored and to some extent managed by the city's departments of social services (in some cities there are culture departments, some culture and social services but the majority are social services). While there are some normative mechanisms that enable participation of the cultural community in the processes of decision-making regarding the local cultural scene yet only in the advisory capacity, modes of ruling and decision-making in culture manifest the omnipresence of political influence and ruling in the cultural sector. Accordingly, cultural planning and sustainability in the development of cultural sector is vulnerable to political changes brought on by the elections. This creates a closed circuit between the sector and decision-makers, keeping the practices of participation and sustainable governance reserved as a theoretical narration and/or political rhetoric.

### **3. Croatian Participatory Governance Practices in Culture**

The question of participation of citizens at different levels and in various formats is nowadays considered as one of the most important issues in the domain of cultural and artistic practice as well as in the cultural policy discourse. Consequently, it is present worldwide as a key theme in the theory and policy on cultural development. Participation is not a new concept - it is indivisible with democratization of culture and cultural institutions, emphasizing the importance of involvement of citizens in cultural life, and is consistent with the ideal of cultural democracy that promotes and affirms cultural diversity by diminishing levels of exclusion, right and access to culture. Participation has a long tradition in different areas of society and it operates across various geopolitical contexts and organizational settings. During the last century, relation between State/public authority and citizens has profoundly changed, and many areas have developed critical reflection on dominant meanings of participation practices. However, the methods of participation depend on the political construction of countries, sectors, disciplines, etc. At the same time, the notion of participation spreads wide towards the various levels and forms of participatory practices, such as participatory arts, participatory culture, participatory policy and decision making, participatory governance, etc. This new paradigm is a result of communication and technology development which led to the cultural shift from consumers to producers due to fast changes happening in all five stages of culture cycles - "creation, production, dissemination, exhibition / reception / transmission and consumption / participation" (UNESCO, 2009: 267). Consequently, contemporary notion of cultural participation is not a static numeric concept but a dynamic process through which the citizens actively participate in artistic creation. The citizens are no longer satisfied by the offered cultural content. They are much more active and demanding, they participate in creation of arts and culture through various methods, such as public consultation, systematic education and cooperation with the operators of the cultural sector, participatory governance and management, planning,

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District Zagreb has the intention of stimulating the construction of the 'Martićeva creative zone' primarily through networking and cooperation of stakeholders of the existing local creative scene and strengthening of their capacities, as well as through the revival of a number of unused spaces, encouraging the creation of new permanent and temporary content." More information available on: <http://designdistrict.hr> (16/09/2016)

creation, production, etc. Therefore, in the context of cultural participation, the cultural policy faces significant structural and reform challenges.

Participatory governance became very popular theme in last two decades - the recent emphasis on good governance as a foundation for sustainable and equitable development within the new post-2015 Millennium Development Goals rests in large part on the effective participation of an active citizenry. Actually, the most important actors in the world of new governance approaches have been social movements and non-governmental and non-profit associations testing new, flexible forms of governance that effectively represent and respond to public concerns. In the process, civil society organizations invent and experiment with a range of new participatory mechanisms, including efforts to affiliate citizens and experts in new institutional formats. In culture we can find a varied meanings and practices of participatory governance. The concept of participatory governance we define as a sharing responsibilities in governance between many stakeholders - who have "a stake in what happens" (Wilcox, 1994: 5), such as (local administrative, public institutions, private institutions, NGOs, citizens initiatives, representatives of local communities, artists, etc.) or as Sani et al. articulated in the context of cultural heritage it "is a process of releasing authority on the one side and empowerment on the other, as well as the adoption of a management model, which allows for decisions to be taken by communities rather than individuals." (Sani et al., 2015: 10). Power relation is the central point of the notion of participatory governance or as Arnstein stressed "the redistribution of power" gives opportunity to citizens "to be deliberately included in the future." (Arnstein, 1969: 216).

Croatian examples of participatory governance in culture predominantly arise from the practices led by civil society organizations (non-governmental and non-profit associations). These grass-root initiatives have created shared cultural spaces through cultural governance models based on horizontal principles, peer-to-peer relationship and shared responsibilities. The absence of spaces for their activities has stimulated organizations to join and start sharing spaces in abandoned spaces of many Croatian towns, most common former factories or military facilities, relying on the idea of shared and used spaces by many users and experimenting with the participatory governance models. Amongst such spaces, we can point out four spaces that can be used as paradigms of "shared creative spaces" so-called social-cultural centers in Croatia: Youth House in Split, Social Center Rojc in Pula, Pogon – Zagreb Center for Independent Culture and Youth in Zagreb and Molekula Cultural Center in Rijeka.

Youth House is situated in unfinished building of Socialist Youth House in Split. The owner of this impressive building that has a couple of thousand square meters is the City of Split. In the late 1990s separate parts of the building began to be gradually inhabited by the CSOs. After 2000, the House began to be used more after some of the rooms were given for use to a number of youth and cultural organizations that formed a coalition and instigated a six months long campaign to obtain spaces in the Youth House. Since 2005, the city cultural institution Multimedia Cultural Center Split has been managing the House. This local institution gives different spaces for use to cultural organizations for their work, production and presentation of programs through long and short-term contracts with no rental fee.

The former military facility Karlo Rojc is the largest single building in the city Pula - it has the surface of 16739 square meters. For many years now, it is home to numerous civil society organizations. The organizations began with appropriation of abandoned public property in the late 1990s after refugees that found temporary shelter in the military facility left the space. After a number of organizations squatted parts of the building, the city government issued a call for appointing spaces to non-profit organizations without paying rent and utilities, while the associations took it upon themselves to maintain the spaces. Users of Rojc and the City of Pula established the Working group for coordination and it consists of representatives of the City of Pula and the associations and it is in charge of common decision-making process. In order to establish more efficient communication with the City of Pula about 20 associations situated in Rojc formed formal Rojc Association Alliance.

Pogon is the result of a long year advocacy process by a number of Zagreb independent cultural and youth associations. The advocacy started in 2005 when the independent cultural associations joined forces with youth associations and formed a tactical network so they could campaign together for a space for their work, production and presentation of cultural and artistic programs. The advocacy process proved successful at the end of 2008 when the Mayor of Zagreb decided to found the Center just before the upcoming local elections. The Center was, at the suggestion of representatives of independent culture and the youth, founded as a mixed institution by the City of Zagreb and the Alliance for the Center for Independent Culture and Youth (today called Association Alliance Operation City). This innovative model of shared governance was thought up to ensure long-term sustainability of the Center. The involvement of the City of Zagreb as one of the founders forms a stable institutional framework for functioning of the Center because it ensures the space resources for the Center's placement and the basic funds for its maintenance and basic functioning. On the other hand, the Alliance members create and finance production of the programs. Pogon primarily functions as a production and presentation service for independent cultural and youth organizations that can use the technical and spatial resources of the Center for the representation of their activities for free. Molekula is the name of a cultural center and an association alliance that was formed in 2007 in Rijeka. Lead by the idea of shared spatial and technical resources, and in the lack of work, production and presentation spaces, 6 non-profit organizations that are active in different artistic fields formed the Molekula Association Alliance in order to manage together the cultural center under the same name. The center was situated first in a former dockside warehouse. After the City of Rijeka issued calls for managing three large spatial venues situated in different locations in the city, the Alliance composed a program and proposal to take over these venues in which the Center could carry on with its activities. The City of Rijeka appointed all the spaces for use and management without fee to the Alliance, they signed a 5year contract and took it upon themselves to cover the maintenance costs. The Alliance came up with a model for use of all the Center spaces, and their members have moved their offices into new spaces and use spaces for their programs according to their areas of work. They also work with organization outside Alliance in providing the space for their activities.

All these examples are result of the bottom – up approaches and are considered as emerging operations, which evolve towards participatory governance between various stakeholders. Approaches in the development of social-cultural centers demonstrate the vital necessity of challenging predetermined, ossified policy rationales and provisions as well as institutional structures and representational legitimacy. Moreover, they raise the critical question about the role and position of civil society organizations that uptake the responsibility of public mandate in planning, managing and programming communal cultural resources. Pogon, as the first Croatian example of a hybrid institution that is founded on the basis of public-civil partnership and participatory governance, represents a prototype of new institutional formats in Croatian culture based on horizontal structure, peer-to-peer relationship and shared responsibilities, which all other spaces strive to follow since representatives of social-cultural centres believe that “partnering with civil society in reconceptualizing and creating broader cultural offers is the most important approach for cities wishing to innovate the scope of activities and assure the well-being of their citizens” (Hristova et al. 2015: 4). The Pogon is a “pioneer attempt” because the civil-public partnership, in opposition to the one based on private-public relations, enables the ever so needed maintenance and improvement of the public/social role and the purpose and meaning of arts and culture in the context of growing consumption and political pressures. In this kind of model, shared responsibility is equally distributed and the formalization of the partnership between the public government and the civil sector contributes to the shaping of participatory cultural policy.

The examples bear witness that the model of participatory governance of institutions can be designed in different variations, depends on the local context, on the strengths and weaknesses of existing cultural

operators, local policy administrations, representatives of local community, etc. But all of these spaces were established with the same orientation. Opposite to the traditional models of cultural centers that are characterized by a centralized management, the new models of cultural centers, so-called social-cultural centers, are used by many, not by one user and they are established based on the experience of self-organization and the idea of social solidarity and equity, resources sharing and participatory governance and balanced development of urban fabric that is closely connected and dependent to the civic engagement. The examples follow the path of institutional innovation in the domain of shared or participatory governance whereby the citizens are directly involved through CSOs in the deliberative policy discussion on the modes and purposes of public cultural resources. Involvement of various representatives of formal and informal civil society “allows for more prosperous, just, and inclusive societies, creating a city that is more vibrant and confident in its own development capacity” (ibid). Furthermore, these socio-cultural centers represent a place of affirming and building the community action of resilience through the fostering community participation and work, which stimulates inclusive urban development in Croatia. Involving in the participatory governance practices citizens reclaim ownership of their community and neighborhood that encouraged them to advocate for their interests.

### **Concluding Remarks**

Examples from Croatia demonstrate new emerging models of “shared creative spaces” which transmute the notion of cultural center from politically driven, marginalized form of cultural institution to organically established sustainable institutional design. What makes the emerging “shared creative spaces” in Croatia different to their predecessors are not only the approaches and modes of governance but the entire rationale towards the reason for being, functioning and development of these spaces. While the older ones were made for the people, the emerging ones are made with the people. The emergence of new models of cultural centers that directly tackles the challenges of contemporary cultural governance entails the creation of new relations and networks based on open, participatory and dynamic processes. While institutions that are based on centralized, hierarchical authority remain resilient to change, the field of culture has become a stage for new dynamic actors that have proven to be competent drivers of creativity and overall development. Furthermore, these examples tackle institutional normativism by proposing participatory modes of governing, surpassing deliberative democratic model of institutions that permits maximum cultural confluence within the public sphere, through the institutions, civil society, community groups and individuals. In that context they are not about finding attractive or politically correct purpose in deindustrialised, post-transitional cities with the aim of reconstructing economic and social fabric – it is more about rethinking the role, position and mandate of what cultural centers are or should be and how it affects the sustainability of the entire cultural domain in the respective local and national communities; it is about sharing the responsibility for the sustainability of cultural resources – from infrastructure to programming and access, it is about being vigilant and responsive the shifts and socio-cultural needs of communities, especially in the context of social inclusivity and equality.

Local cultural and urban policies and strategic planning proved to be unsustainable because their makers ignored issues such as social justice and inclusion, and shifted their interests from artists, local community and local culture to large artistic products that can be circulated globally. In order to avoid “city competitiveness” that “became established in urban policy and rhetoric” (Matarasso, 2015: 129), local cultural and urban policies have to examine alternative approaches that would be culturally sensitive to local issues, inclusiveness, justice and multicultural reality. As Anheier and Hoelscher articulated “new task ask for a new approach of steering away from the old administrative top-down style towards multi-stakeholder governance.” (Anheier and Hoelscher, 2015: 21). Since these new approaches include building collaborative social processes, diversity of knowledge and perspectives and participation of citizens in the planning and

governing, the practices of Croatian participatory governance in the emerging socio-cultural centers show the potential of art and culture in empowering citizenship and fostering relationships between various stakeholders, from local authorities and administration, through formal cultural collectives to the local community. Cooperation between civil and public partners “both sides are empowered and strengthened, so that civil society does not hesitate to offer its help to local government, and local government becomes closer to its citizens and their needs.” (Hristova et al., 2015: 4). But at the same time Croatian case shows that “some city administrations still have to learn to cooperate with external actors” (Anheier and Hoelscher, 2015: 21) from state, public institution, profit company, civil society organizations to representatives of local community and various marginalized groups.

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# **A strategic assembling between cultural heritage management, creative clusters, and urban regeneration: URS policy in Taipei, Taiwan**

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## **Abstract**

“URS” stands for the Urban Regeneration Stations. It is a cultural-led urban regeneration policy the Taipei City government recently proposed. By introducing young or cultural workers groups into old/ historic neighbourhood, not only to vitalize the old buildings, but also create more jobs for these areas.

In Taipei City’s Dadaocheng area, where Dihua Street was originally located, is one of the starting points where the city was recruited into modern capitalism and the global division of labour. The development history of Taipei City is self-evident through the transition of this old street. It is now an experimental site for the URS policy. However, a recent migration of creative industry workers there, thus creating a transformation within the district. Through the discussion of individual cases, this paper explores the substantial influence of URS policy introduced by the City government, which might be a strategic assembling between creative industry, cultural heritage and cultural-led urban regeneration being developed in Taiwan.

Keywords: cultural heritage, URS, creative clusters, cultural-led urban regeneration, Dadaocheng, Dihua Street

## **Introduction**

Issues regarding urban development and cultural preservation are faced with two Behemoths in Taiwan. The first is that real estate prices are soaring; therefore, most people choose to tear down old houses and reconstruct them into skyscrapers. This is the primary reason why there is barely any historical footprints left in the cities. Secondly, under the effect of modernization, most people regard old houses as being the symbol of obsolete, outmoded and laggard. The historical value has not been treasured or valued. Social progress and fair living standards are only considered if people reside in reinforced, concrete walls. With these two main factors, not only are citizens molded to think this way, but also government policies neglect the important topic of a city’s historical and cultural preservation. In addition, when governments were about to assign specific architects to historical sites, it was often opposed or torn down by the owner, and sometimes even set on fire. Therefore, most city landscapes were “modernized”; with barely any historical evidence that can be detected in urban space. Only a small number of houses were designated or registered within cultural heritage, towering aloft yet alienated from the surrounding landscape. A few architectures, of mainly historical blocks, were preserved after a tremendous effort. Dihua Street is one of the few historical blocks that have been preserved, keeping the historical façade records of the streets of Taipei.

The development history of Taipei city can be traced back to the Qing Dynasty, approximately 130 years ago. During the Japanese colonization (1895-1945), Taiwan had entered the phase of modernization. After World War II, Taiwan underwent postwar reconstruction and urban modernization development. Therefore, after the 1990s, most urban constructions with reinforced concrete were faced with the problem of urban

aging. The corresponding makeover then relied on urban renewal, which is the policy following city reconstruction in the United States. However, “urban renewal” is often a destructive construction, destroying all the previous urban structures. The sole beneficiary was none other than the developers. City landscapes were substantially changed, and at the same time dissolving neighboring relationships. In addition, the procedure of the related decree is so complicated that in certain regions, the progress of urban renewal can drag on for ten years or so, thus triggering criticisms. In short, urban renewal in Taiwan is faced with numerous hindrances. Therefore, government departments are considering other possible options, leading them towards “urban regeneration”. Despite the general use of cultural initiatives as catalysts for urban regeneration, the development of urban cultural policies as an element of city governance has been far slower and less consistent (Garcia, 2004: 312-313). Recently, “cultural-led urban regeneration” has become the primary policy of urban cultural conservation in Taiwan.

Simply stated, Taiwan is facing urban aging, with the poor quality of infrastructure, and the urban service. Like personal memory, social memory is also highly selective ... The institutions responsible for making the ‘selective tradition’ work develop a deep investment in their own ‘truth’ (Hall, 2008: 221). Moreover, manifesting urban cultural features throughout urban historical preservation, while creating city charisma, and enhancing the living quality, are crucial issues for urban development. However, these concepts collide and contradict with one another, and are at the same time, critical for an urban regeneration policy to win over the approval and support of the residents. Therefore, the URS plan has become one of the most important policies to gain advocacy. The planning and implementation of this can be compared with acupuncture, inserting interesting operation plans for old houses: such as holding various activities, inviting people to attend and enjoy the experience, so that they can understand the charm of these old houses first-hand. This has brought about crowds and utilization in rather deserted areas. This not only spurred the vibe of these regions, at the same time, changing the concept, and identifying with the existence value of the old houses. There are better ways than tearing down old houses and building new ones to activate an urban space and enhance its living quality.

This essay targets the URS plan of Taipei city as the research core. The specific practices, policy implications, and policy impacts, will be discussed to rethink the issue of urban historical cultural preservation and urban sustainability.

## **1. What is URS?**

URS is the abbreviation for “Urban Regeneration Stations”. As the pronunciation strongly relates to “yours”, it is to stress that “the city is yours”, or owned by everyone – not just the few advantaged groups, such as the real estate developers. Meanwhile, since the city belongs to everyone, the history and memory should also be shared and owned. This right should not be easily relinquished. This policy can be explained as one of the attempts by the Taipei City government – where they wish to change the previous urban regeneration policy that diminishes and destroys local history. For many city decision-makers saw the development of cultural policies as a valuable tool in diversifying the local economic base and achieving greater social cohesion (Bianchini, 1993: 2).

The major implementation modality of this policy first encourages the city’s residents to provide idled architectural spaces through public architectures or promotion plans. This especially applies to idled buildings in the old downtown area. Next, the authority will be responsible for the repairing funds if applicable, judging from whether or not these architectures will be in need of simple repairs. Third, the usage of these locations will be planned and determined. Non-governmental enterprises will be encouraged or invited to be stationed in either, private non-profit organizations, universities, creative industries, or design companies, and these units will be responsible for the spatial use. Usually, it can be used as an incubation center for young entrepreneurs, as well as holding a variety of cultural activities for the visitors. In addition to

the renovating funds, the city government will also provide short-term operation expenses for these units. Basic operation fees covered by the government have smoothed out the profit pressure for the team. This induces these units to propose various spatial revitalization plans through innovation. Not only do these architectural spaces become the workshop for the teams, or an incubation center for young creative workers, but it also creates a beautiful spark among the professional workers as they share the same space. This includes industrial designers, graphic designers, fashion designers, architectural space designers, artists, imagery workers, magazine editors, and website design and software developers.

Strategically, the locations of these bases are extremely crucial. Normally, they are located in the old downtown area of Taipei. Through the innovation of creative workers, the surrounding hub is activated, since this is the equation to fewer job openings, young people and weaker industry development. Setting the URS bases at these areas not only creates physical job openings and activates surrounding industries, but also lures in numerous young people that change the atmosphere of the community. In addition to the incubation centers for creative workers, these URS bases plan numerous cultural activities based on their operational contract. These activities include art exhibitions, forums, lectures, workshops and/or small-scaled performances, which can be attended by residents and visitors alike. The event attendees were also brought into these old communities, especially when commercial activities were being held, as they were considered as potential consumers. This is when people from the old community reimagine their old houses: in that they do not have to be torn down. Instead, their charisma can be used as an urban regeneration strategy for urban cultural preservation.

Community involvement can be fortified through software management, as well as imagining the feasible change to its living environments. Luring in various industries and cultural activities revitalizes the entire region. In other words, this is not remotely close to traditional urban regeneration as it imports real estate capital, knocks down yet builds an abundant amount of skyscrapers. This not only conflicts visually with the surrounding environmental landscapes, but also numerous newly moved in residents who change the characteristic of the local community and the composition of the dwellers. This predatory urban regeneration usually only comes down to one consequence: sabotage of the original community life.

**Table 1: URS bases summary**

Station Name	Duration	Management team	Mode of acquisition	Property and station size (m <sup>2</sup> )	Original Usage	Station Mission
URS127 Dadaocheng Design Gallery	2010.5 Tamkang 2013.11 Blue Dragon	Architecture Department, Tamkang University Blue Dragon Art Company	Volume shift	Taipei City Government 450m <sup>2</sup>	Retail Store House	- Igniting the stationing in of product industry at DiHua Street with design - Combine this region's traditional industry with art
URS44 Dadaocheng Story House	2011.5 - today	Institute of historical Resources Management	Volume shift	Taipei City Government 524.83m <sup>2</sup>	Retail Store House	Continuing the historical context database of Dihua Street

URS27 The Grand Green	2011.6 - today	Taipei City Urban Regeneration Office	Rental contract with Taiwan Railway Association and National Property Administration	Taiwan Railways Administration, National Property Administration 19726m <sup>2</sup>	Freight station	Providing public green field and outdoor activity space for residents
URS21 Chung Shan Creative Hub	2011.9- 2014.9	JUT Foundation for Arts & Architecture	Rental contract with National Property Administration	National Property Administration 4150m <sup>2</sup> Surrounding land included 8081m <sup>2</sup>	Taiwan Tobacco & Liquor Corporation JhongShen Distribution Center	Regional creativity platform and juvenile incubation center
URS13 Nangang Bottle Cap Factory	2011.10- 2013.6	Taipei City Urban Regeneration Office	Rental contract with National Property Administration	National Property Administration 6000m <sup>2</sup>	Taiwan Tobacco & Liquor Corporation Nangang Bottle Cap Factory	Provides leisure and performance space for communities near Nangang
URS89-6 Urban Core	2011.9- 2012.3	JUT Foundation for Arts & Architecture	Provided by JUT Foundation for Arts & Architecture	JUT Foundation 66m <sup>2</sup>	JUT Foundation's land for urban regeneration	creation experimental field; creativity platform form domestic and foreign artist
URS155 Cooking Together	2012.6 - today	C+ Culture	Volume shift	Taipei City Government 336m <sup>2</sup>	Store from for grains, Chinese herbal medicine	cooking and creativity
URS27W Film Range	2012.9 - today	I-Mei Multimedia e-Content Production & Marketing Co. Chiang Wei-shui's Cultural Foundation	Volume shift	Taipei City Government 185m <sup>2</sup>	Tea shop	Continue to revive the city and cultural movement through media
URS27M Mountain Forum	2012. - today	Chinese Culture University Alumni Association	Rental contract with Taipei Water Department	Taipei Water Department 660m <sup>2</sup>	House of the Director of Taipei Water Department	Station for ecology, history, art and education

URS13 TianMu White House	2014.12 - today	Accton Arts Foundation	Taipei City Urban Regeneratio n Office temporary organization contract with Bank of Taiwan for 5 years from 2014	Bank of Taiwan 140.95m <sup>2</sup> Surrounding land included4287.5 m <sup>2</sup>	the residence of US Army Garrison Officer in Taiwan	Preparation since 2012 for Taipei exclusive heritage community arts performance space
URS329 Rice & Shine	2014.12 - Today	YehJingFa company and Green Film production	Volume shift	Taipei City Government29 7.5m <sup>2</sup>	Decade Rice Store	Improving the revitalization and regeneration of traditional industry on Northern Dihua Street

Source: research analysis.

The Taipei City Urban Regeneration Office proposed their “Urban Regeneration Station” in May, 2010, and these were set up one after another. During its heyday, there were a total of 11 regeneration stations. From the trial of URS 127 to today, all the URS are operating stably except for three: URS 89-6 was retrieved by Jut Land Development who continued the original development plan; URS 13 Nangang Bottle Cap Factory made specific development plans in accordance to the surrounding stations; URS 21 was returned to the National Property Administration, Ministry of Finance.

Five of the eight remaining URS are located in Dadaocheng, which was the first to open up for trade along the Danshui riverbank. It is also one of the regions that completely preserved the Taipei City streets and architectural history façade. Regarding the physical space, the stationing of these URS crucially and urgently relates with the revitalization and regeneration of the old downtown area. However, when it comes to the history of urban development, Dadaocheng successfully demonstrated the abstract value of urban historical style and cultural definition. Therefore, this essay will be using the URS operation in Dadaocheng area as a research case study, focusing the discussion on the subtle correlation of urban historical preservation and urban regeneration.

## 2. URS in Dadaocheng: From vision to action?

A few crucial characteristics can be induced from the stations in this area. In May 2010, the first regeneration station, URS 127, was located here. Six years have now passed with stable and continuing policies. The latest station, URS 329, established in December 2014, is also located here. The establishment time was five years later than the planning of the policy – this plan was established with the rate of approximately one new regeneration station per year. Thus, observation and comparison can be made towards the historical and chronicle change of this station in Dadaocheng. These five stations were donated to the Taipei City Government through a volume shift, so that they can fully command the regeneration proposal of these bases, as well as the overall planning and execution of the urban regeneration policy. The most common feature of these regeneration architects is the traditional MinNan storefront houses, and the western buildings that are two to three stories high. The setting history of the URS can be introduced in three stages. First, the embryonic stage, which centers on creating a topic. In other words, magnifying the public value of this issue of urban regeneration, in addition to emphasizing the public usage of the space, and inviting the crowd to discuss the issue of urban regeneration and cultural preservation. The second phase turns to promoting innovative and creative exchange platforms. As an old community, inviting young people to join will hopefully bring in energy and creativity, as well as creating new job vacancies and opportunities, and

activating local economic activities. The third stage is maturity. Through the effort of all the teams, recent developments and changes of Dadaocheng have caught the attention more than ever. Visitors flocking in have revitalized the local economy. Through various cultural and experimental activities, the issue developments of the local community are still progressing.

URS 127 was originally an experimental land. The Department of Architecture of Tamkang University was responsible for its store front space operation as their specialty is in architectural space design. This is one of the traditional MinNan linear store houses, with a store front and living space in the back. Its original design concept comes with a store front, a patio in the middle, and the living space for the store owners in the back. Certain limitations are hardwired into these buildings when turning them into public spaces for the community, such as lectures and/or exhibitions, as they were originally designed for specific family businesses. However, these traditional commercial living spaces can barely be seen with the exception of Dadaocheng. This unique living space experience has become really proactive for most visitors.

At the initial phase, URS 127 was named as the “Dadaocheng Design Gallery”. This was to emphasize the fact that it has been turned from a private to a public storefront, for the people’s non-profitable space. This public value can also be seen in URS 44, which was established the second year. URS 44 was operated by the Institute of Historical Resources Management, which has long been promoting historical preservation. Named as “Dadaocheng Story House”, it stresses the primary mission as collecting, accumulating, disseminating, and sharing local history and the story of Dadaocheng. Not only are lectures, workshops, and tours frequently held for visitors to understand the local history and story, but also continually caring and promoting community requests, along with proposing solutions from the perspective of guarding the community, whilst spurring the historical preservation responsibility to the fullest.

2011 can be considered as the sprinting period for the URS. In addition to URS 44, there were four other bases being initiated: URS 27, URS 21, URS 13, and URS 89-6. As URS 27 provides urban green space, the other three possess vigorous development plans. Through the cooperation between the public and private sectors, the developer strongly supported the participation of the JUT Foundation for Arts and Architecture. As its expertise lies in architectural aesthetics and design, they were able to promote domestic and foreign artist creation and an artist community at URS 21 and URS 89-6. The creativity exchange among the designers constructed an innovative incubation platform for young entrepreneurs. During this period, the world famous architect team of MVRDV held an architecture exhibition in Taipei; cooperated with Japan, imported Japan’s Metabolism architectural exhibition, with Koolhaas giving a speech; Chinese architect Wang Shu, who won the Pritzker Architecture Prize in 2012, was also invited to hold an exhibition here. In addition, Taipei City Government invited Charles Landry from the creative city as the municipal advisor, visiting Taipei three times in February, June, and October of 2012, steering Taipei towards becoming a creative city. These lively international exchanges not only set the tone, but also demonstrated the city government’s attempt to encourage innovation and creativity, and at the same time assisting ambitions of the young entrepreneurs. In addition, the URS broke free from the original concept of non-profit, public emphasis, and openness. Instead, it marches towards an incubation platform that encourages young entrepreneurs and creative workers alike (Landry, 2000).

Under the effect of this trend, URS 155, “Cooking Together”, opened in June 2012. There were two dimensions of its orientation, corresponding to the policy of the city government, and generating a creative exchange platform for the younger generation’s innovation and creativity. On the other hand, the workers stationed in URS 155 considered Dadaocheng historical cultural background as the foundation of such a creative exchange platform. In order to encourage the workers to learn more about the history and culture of the area, as well as creating friendly relationships with their neighbors, they proposed an action strategy of “cooking/eating together”. Dihua Street in Dadaocheng was the major wholesale transaction for the North-South goods and advanced ingredients. Citizens are invited to various activities, such as guided tours for

Dihua Street's seasonal cuisine, dining on seasonal cuisines, and reading cook books, as well as cooking and dining together. This is not merely a happy hour that people share while dining, but it also, at the same time, benefits local businesses. Neighbors can strongly relate to the passion of young people, whilst achieving multiple goals at the same time.

URS 27W opened approximately at the same time, with a completely different story. The building was originally a hundred-year classic tea shop, right next to one of the crucial destinations in Taiwan: Chiang Wei-Shui, who strongly advocated resilience against the Japanese colonization, founded Daan Hospital. Not only did he promote the political opposition movement, but also proposed starting from a cultural perspective. Therefore, he founded the Taiwan Cultural Association, along with promoting the New Culture Movement. He opened a "Culture Bookstore" beside the hospital, established the Taiwan News, which was also the first newspaper for Taiwanese. I-Mei confectioners, who appreciated this special bond in history, then bought this location. Therefore, I-Mei Multimedia e-Content Production & Marketing Co., Ltd. invited Chiang Wei Shui Cultural Foundation to cooperate and manage this station together. The major management strategy targets the food culture that I-Mei has chronically accumulated in Dadaocheng. Meanwhile, the effort of promoting local history and culture has never stopped. Audio and video production companies have applied this to filming and software development. In other words, setting out from local history and culture not only enables the public to understand more about local history, but also developed brand new start-up opportunities on the spot.

The URS had been stably developed from 2012 to 2014, yet certain inevitable chemical reactions have occurred to the block. According to statistics, Dadaocheng opened 40 new stores from 2014-2015; with a total of 70 stores inside three years. Within the Dadaocheng Historical Landscape Special District, 370 stores applied for a volume shift. International businesses such as Starbucks, and Evernote were also stationed there. Art Yard was stationed from 2010, with thirty more of its creative franchise stores opening up as well. During this 4-5 year period, Dadaocheng changed from the old street block by the Danshui Riverside – selling traditional tea, Chinese medicine ingredients, North-South goods, and advanced ingredients – to the younger generation's favorite cultural creative cluster. Ever since the opening of the Danshui River, the Dadaocheng region has been considered a prosperous place for commercial activities. Even though it was seemingly declining, yet the URS plan revitalized the street blocks as they were before; with the industry shifting from traditional wholesale to a creative industry and cultural tourism. With such a background, the latest station, URS 329, used "URS" as a commercial strategy. Putting local culture and history to great use, it is a profitable pattern for creative industries, and the selling of a local history symbol – and at the same time, spreading to surrounding audio and video industries. However, this management strategy goes towards the offspring of the local family business, which is based on the deeply sensational identification and understanding towards local history. It is not only a management strategy, but also the attitude to give back to local development.

The management team of URS 329 consists of the YehJingFa Company and the Green Film production. Both of these teams are the descendants of the Yeh family at Dadaocheng. The Yeh family has been rice traders for five generations based here. However, since the rice industry has declined, younger family generations have chosen to start their career aside from becoming rice traders. On seeing the declination and transformation of Dadaocheng, film director YehTianLun and Green Film Production started shooting movies and television shows with Dadaocheng as the context background. YehShoLun started off from the family-owned rice industry, bought another storefront, URS 329, which was previously owned by another rice trader, and named it "Rice & Shine". He turned it into a diverse cultural space with rice culture as its theme, presenting rice culture, selling quality rice, as well as developing a cafeteria based on rice and Taiwan's local dairy produce. Meanwhile, a variety of seminars were held to exhibit and perform cultural activities. In fact, this business group owns an abundant amount of storefronts at the North Street of Dadaocheng. "Rice &

Shine” is one of the spotlights and hubs, connecting nearby stores, display, development, and cafeteria. This management mode has arguably demonstrated the value of the URS to the fullest.

### **3. Discussion**

A copious amount of research emerged recently to discuss whether or not specific “effects” had successfully occurred after the URS was stationed in Dadaocheng (Chiu and Lin 2014; Chao and Hsu 2015; Chiu 2016). It shifts the focus on the degree of interaction in terms of the commercial activity, over and above the impact and effect for traditional industries as the creative industry moves in. However, specifically quantified statistics were barely accessible; the same goes for the trustworthy measurement of whether or not the URS “succeeded”. The only thing that can be observed from a market economy perspective is the fluctuation of the surrounding real estate and rent prices. However, this is also affected by such factors as the overall real estate market price and the market boom in Taiwan. Certain implications are therefore complex. Judging from experience, the fact that new stores continue to be stationed, with crowds flocking in, and therefore the residents are experiencing a shifting of the block that cannot be denied. However, this essay wishes to discuss how urban cultural heritage can be utilized, and history can be preserved through urban regeneration. A few observations are listed below through the development of the URS in Dadaocheng over the years.

#### **Creating advantages by putting the specialties of architectural aesthetic and street space**

Dihua Street in Dadaocheng is one of the few streets that preserve a complete Japanese colonization street scale, as well as the building’s façade. Surrounding street blocks such as Yanping North Road, Liangzhou Street, and Guisui Street, retained their original road width. When compared to the Taipei street scale today, also known as the modern city street scale, one may be prone to thinking that the city streets here are too narrow and crowded, seemingly out of date in comparison. However, it is exactly due to this street scale that it is a rather friendly walking zone, where visitors can freely meander; meanwhile, the stores along the road easily attract pedestrians. The street scale corresponds with the 2-3 floored storefronts that are equally friendly for people to admire the delicate details of the façade and the decoration of this building. In addition, wandering comfortably, and at the same time avoiding the noise of the traffic, has created a leisurely atmosphere that echoes the historical sentiment, satisfying the aesthetic enjoyment of the experimental economy.

Coincidentally, this street was not destroyed in the rapid modernization during the 1970s. Nearby merchants wished to widen the streets to catch up on enhance the image of modernity. This led to a social movement in 1988, which was the first one ever that gathered a crowd in order to save the old street. Consequently, this street preserved its original look. Most residents and visitors are successfully persuaded that the preservation of historical streets is not necessarily the symbol for being out of date. Furthermore, it can be considered as a treasure trove filled with the city’s stories and the citizen memories – the place for younger generations to take a peek into the past.

Simply stated, satisfying the economic demand of local merchants with consumer behavior through “culture” led urban regeneration – keeping commercial activities alive, attracting visitors to enter historical blocks – is one of the crucial factors that local inhabitants are willing to regain their original spatial form and lifestyle.

#### **Culture means business? Business is culture.**

The industry model and production mode of the cultural creative industry has spread globally, and Taiwan is no exception. Through turning tangible and intangible cultural assets into marketable products and services, employment opportunities are created as well as the output value. This enabled the traditional culture to become acquainted, converted, and continued, acting as the core value for the operation of the creative



industries. However, critical perspectives question careers that profit through culture in such a capitalistic society – not only instrumentalized, but also wiping out the profound quality of culture itself. This issue presented an interesting phenomenon in that Dadaocheng was originally the main town for the initial development phase of the port trade and business for Taipei City, and has always been in a leading position, to connect with the international capitalism markets. It promptly imports the latest merchandises, knowledge, and concepts into Taiwan, and continues to be attractive, as international dream chasers immigrate here. In other words, the constant moving in and settling down has been accumulated as a part of local culture. Commercial culture is one of the most important assets here. Therefore, newly accommodated creative industries are identical to the merchants who came here to chase their own dreams: in the hopes of selling their creativity via this commercial port. Not to mention the originality that the creative cultural industry puts culture into its greatest usage. Borrowing the historical elegance of Dadaocheng to benefit from the merchandise and service created, is exactly the enchanting inner soul of the local creative industry. Yet intentionally, it emphasizes the face that Dihua Street is fixed at the historical landscape of 1920 as the “Renaissance” theme for creative culture, and ignores the fact that culture changes and evolves through time. This might essentialize the connotations and value of local culture. Freezing the time of heritage preservation, and trying to keep the building at a certain time in history, has demonstrated a sort of stereotype (Zukin, 2010). People are prone into thinking that they are out of date antiques and nobody wants to get a closer look. The younger generation does not recognize these either, and would rather stay away.

#### **Community-guarding-led urban conservation**

Dadaocheng was one of the earliest-developed regions, with pedestrian-friendly street scales. However, some sections were faced with such infrastructure service insufficiency as an aging architecture, an opening green land system, and parking and fire prevention. Strictly speaking, there are a lot of unresolved infrastructure service facility problems remaining among the tearing down of the old, overall update, and preserving historical architectures – which is also crucial for entering the old street blocks. Therefore, the URS in Dadaocheng acts as a community guardian, corresponding urban regeneration with urban conservation. For instance, after URS 44 held numerous workshops for the community, they realized that since the region consists of mostly merchants, most stores close at seven. The streets are therefore relatively dark at night, which is rather dangerous for people coming home late – thus the concern in terms of security. In addition, in order to achieve block revitalization, should consumer behaviors like night clubs be considered? Alternatively, should the living quality of the local community be listed as the top priority? Lastly, residents hoped to improve their living quality, and therefore initiated the activity that all stores should leave a light on in the hallways for people coming home late. The URS thereby provided an urban conservation perspective to guard the community. This supplement is for the crucial issue of urban regeneration and local living quality.

#### **Wholesale Retail? Cultural tourism or creative industry?**

Dihua Street has been the location for Chinese traditional herbal medicine, tea, and North-South goods. The main commercial activity is wholesale, with a rather low percentage for retail. However, as the creative industry entered this block, the original management mode for service and wholesale has changed into servicing individual customers. In addition to such a business model as to target customers and selling amount changes, this place has turned from specified purchasing of related industries to leisure “tourists”. In other words, even though this region has been activated since visitors increased due to the creative industry and other cultural activities, villagers and residents consider overly emphasizing “tourism” has disturbed their wholesale businesses, creating tension and conflict.

This contradiction did not solely derive from the transformation of the industry. It also pointed out the fundamental problem of urban cultural conservation: a worthwhile-preserving culture came from the unique spatial environment, from architectures and streets to lifestyle. If merely the shell of the architecture is preserved, the heritage related history pattern and content are apt to be lacking. This is the biggest deficiency of heritage preservation in Taiwan, although it has gradually been improved through years of discussion and effort. However, much can be discussed regarding how it actually can be dealt with. Conversely, even though the historical blocks of Dihua Street possess an elegant architectural façade as well, in addition to a preserved street landscape, it is the export of tea, rice, and the trade of North-South goods, and Chinese herbal medicine, that has contributed to its cultural value ever since Dadaocheng opened its doors. International trade has led Taiwan to the world, bringing wealth to merchants as well as creating prosperity in Dihua Street and Western architectures. However, with a bit of fluctuation, industry transformation is inevitable. Then how should Dadaocheng historical cultural preservation be preserved?

Regeneration should be seen as a multidimensional and multifaceted process aimed at improving the quality of the urban fabric and the natural environment as well as reconstructing the local economy (Schenkel, 2015: 73). Nevertheless, the contradiction can briefly be considered from two dimensions. First, the hardware should be the priority of architectural preservation, so that the population can experience the beauty of historical architectural space and streets. However, the usage of the interior of the building lies within the willingness of the property's owner and should be respected; public policies should not interfere. The perks of this plan could prevent tension from private property as well as resurrecting the natural evolution of the industry. The second dimension proposed that these traditional businesses have developed their own unique business cultural value along with a complete industrial-related system, should they, therefore, be putting more effort into the management and preservation of the software. Such as selling Chinese medicine herbs, tonics at Chinese medicine stores – the philosophy indication of herbs and diet cannot be underestimated. Cloth-related stores surround this young market: from clothing customization chain, tailoring, and costumes borrowing the latest DIY trends, as well as the imaginative design for creative workers. If efforts were put into this direction, then the newest creative industry emerging in Dadaocheng will not only be telling stories with local ingredients, designing related merchandises, or providing services with these cultural contents; but also rethinking the development through the creative industry, facilitating these traditional industries, and to actively develop its cultural commercialism.

### **Conclusion: From cultural landscape to preserving industrial content**

The idea that culture can be employed as a driver for urban economic growth has become part of the new orthodoxy by which cities seek to enhance their competitive position (Miles and Paddison, 2005: 833). Many studies have pointed out that through the URS plan by the Taipei government and the industry transformation over the past five years, the surrounding real estate and rent prices have soared (Chiu 2014; Lin 2015; Yen 2006). Leading young people into historical blocks not only puts the historical culture resources to good use as they let their creativity soar, but also hoping this brings in career opportunities that lures the crowds into the old blocks. It is seemingly a younger-friendly policy, yet when rents rise, can these young people benefit from within? Alternatively, are they bursting with energy for the old street with their creativity and entrepreneurship while sinking in the heavy burden of the rental fee?

This essay is attempting to bring out the perspective that the URS is a strategy for urban regeneration. Through setting stations, bringing in management teams, organizing culture-art activities, assisting with the incubation of young entrepreneurial teams, and injecting themes and creativity brings career opportunities. This leads to a rather profound understanding with the local cultural historical element, as well as the development history from lively creativity, and culture and commercial activities. For the local community, this station ignited the concern and effort regarding their own environmental issues around them; experiencing a

value worth treasuring from the old houses and historical blocks. The average modernized skyscrapers can never replace this.

Nearly 400 years has passed since the first Han started to cultivate the land in Taiwan. Most historical buildings left behind were built during the reign of the Ching dynasty, with a maximum age of 200 years. When encountering these urban development conflicts, some theorists advocate that these historical architects and cultural assets have a rather short architectural history, and is therefore, not worthy of preservation. In respect to applying a URS plan to urban regeneration, this essay attempts to focus on how to rethink urban conservation from the perspective of urban regeneration. Social history values cannot solely be judged from the length of duration. Even though the URS focuses on urban regeneration, its operation process diverts local history and cultural resources, enabling the community residences to reimagine the local cultural value. Most importantly, old street blocks inviting young people to develop their own startup has revived the old community, in addition to letting younger generations become closer to their own culture. Through the eyes of an outsider, the local residents can truly think about what common asset is worth preserving in the face of a substantial change in the community. Last but not least, as the aforementioned, the fluctuation of a creative industry stationing in, and local industry, should currently be the primary focus. Particularly the emerging creative blocks, and the creative economic system are both hot topics for urban policy. Through trending topics such as volume shift, façade registration, temporary pavement, and building parking lots, to preserve the cultural landscape of Dadaocheng should be the major time-pressured preservation issue.

**Figure 1. The historic facades and brick arch corridors is rare in Taipei City**



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