

Make Your Publications Visible.

A Service of



Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre

Riganti, Patrizia; Nijkamp, Peter

Conference Paper

Valuing cultural heritage benefits to urban and regional development

44th Congress of the European Regional Science Association: "Regions and Fiscal Federalism", 25th - 29th August 2004, Porto, Portugal

Provided in Cooperation with:

European Regional Science Association (ERSA)

Suggested Citation: Riganti, Patrizia; Nijkamp, Peter (2004): Valuing cultural heritage benefits to urban and regional development, 44th Congress of the European Regional Science Association: "Regions and Fiscal Federalism", 25th - 29th August 2004, Porto, Portugal, European Regional Science Association (ERSA), Louvain-la-Neuve

This Version is available at: https://hdl.handle.net/10419/117122

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



44^{TH} EUROPEAN CONGRESS OF THE EUROPEAN REGIONAL SCIENCE ASSOCIATION

REGIONS AND FISCAL FEDERALISM

University of Porto Porto, Portugal 25-29 August 2004

VALUING CULTURAL HERITAGE BENEFITS TO URBAN AND REGIONAL DEVELOPMENT

By

PATRIZIA RIGANTI

School of Architecture Queen's University Belfast

2-4 Lennoxvale Belfast BT9 5BY Northern Ireland

Telephone +44 2890 274257

E-mail: p.riganti@qub.ac.uk

PETER NIJKAMP

Department of Spatial Economics and Economic and Social Institute (ESI) Free University of Amsterdam

De Boelelaan 1105 1081 HV Amsterdam The Netherlands

Tel: (31) 20 4446090

Fax: (31) 20 4446004

Email:pnijkamp@econ.vu.nl

1. Introduction

1.1 Prefatory remarks

The definition of cultural heritage can be quite controversial, per se. In broad terms we could define cultural heritage as the record of mankind achievements and relationships with the world. Therefore, it has always a local dimension, though sometimes it embeds universally shared values. The concept of heritage is not given, but created by a community, by people who attach values to some objects, rites, languages, contexts, lifestyles, historic sites and monumental buildings. Labelling something as heritage represents a value judgment, which distinguishes that particular object from others, adding new meaning to it. Cultural heritage summarises people's identities, shapes communities' ones, and to this extent contributes to the creation of social capital. Many different cultural heritages can be identified, and this cultural diversity becomes a new form of capital embodied both in material (monuments, historic sites, cultural landscapes, etc) and immaterial goods (languages, traditions, religions, etc).

Heritage is a social, economic and cultural resource. At the same time it is a politicised and contested concept. Pressing questions on "whose heritage" seems to be brought to the forefront in our multicultural societies. If heritage is what we preserve from the past to inform our present, contemporary heritage cannot be but *dissonant* (Graham et al, 2000). In fact, the creation of heritage implies the distinction between those who subscribe to it from those who don't. Heritage valuation within this context becomes a tool to better understand the significance of heritage to different sections of society. Nonetheless, this is not the only reason why we are asked to value our cultural heritage. We value to understand, but also we value to preserve, and to manage our heritage. The valuation process aims to assess existing values as attached by the relevant population. However, the ultimate aim in the context of policy analysis is to value in order to achieve the *valorisation* of our heritage, in order words, *to add new values* to the existing ones. Therefore, valuation represents a crucial step in the management of cultural heritage especially when we narrow the concept to the built environment.

This paper discusses the meaning and nature of urban cultural heritage, and the currently available methods for its valuation in the perspective of sustainable city development.

1.2 The meaning of urban cultural heritage

Urban cultural heritage is the physical representation of a community identity that demands to be passed on to others. Preserving the environment for future generations is one of the key concepts of sustainability, which refers to the need for intergenerational equity. This call for conservation is extended to the built environment, though the nature of cities dynamics implies that we have to make trade offs between conservation and development issues. Therefore, preserving our built heritage means managing it for the benefit of current and future generations. In order to manage, we need to assess the relevance of the urban heritage we are dealing with. At first glance, we can distinguish between landmarks, and non-monumental buildings, which form the historic fabric, the setting for the most symbolic heritage given by monuments (Seragaldin, 2000). Traditionally, conservation has dealt with the restoration of outstanding buildings. In more recent years, the concept has been extended to the urban fabric, the historic centres, where often the issues of conservation have to face the need for development. Obsolescence, and sometimes neglect are the indicators of loss of cultural significance that may occur in parts of cities. Preservation of these parts may occur only when the community has both a use and a symbolic value to them. Urban development strategies need to achieve a balance between public commitment, private investors and community initiatives. Understanding the meaning that a specific urban heritage bears for the community it relates to is an important step towards a sound management project.

Contemporary cities, at the time of globalisation, are the places where conflicts and social differences can be felt at their height. Traditionally places of contradiction and social concern, nonetheless cities turned out to become more culturally homogeneous. The idea of belonging to a "campanile", a bell tower, used to be enough to understand one's root and identity for many European cities. Urban cultural heritage would be the built expression of city's identity and of its symbolic values, the place where citizens could recognise themselves. In our information and global society, this is no longer true. Many cultural minorities live in places that represent a diverse culture, places they may feel estranged from, or even threatened by.

The symbolic role played by architecture and, in general, by urban cultural heritage has been symbolically brought to the forefront by events such as September 11. Striking the heart of a nation meant striking the heart of a building, the world trade centre, symbol of the capitalistic age. Thankfully, conflicts in society do not always

take these extreme measures; however, understanding the public perception of cities, their heritage and their transformations seems a crucial element to achieve social cohesion. Dialogue and participation to the city governance process are the major factor of success in minimising conflicts. Today there is the need to develop new tools and methodologies capable to account for social differences and preferences.

All urban policies related to cultural heritage, both mobile and immobile, have crucial impacts on the economic development of most world cities. In Europe, *cultural tourism* is one of the most important industries. Some management policies may cause distress to both residents and the cultural heritage itself. Many world heritage cities, to different extents and degrees, suffer because of *congestion* and the negative externalities caused by it. Therefore, it is important to develop new cultural heritage management tools that may account for urban changes and help decision makers to develop appropriate policies, accounting for people's preferences, considering minority and disadvantaged groups and their interests. Within this framework, valuation methods acquire specific relevance.

Economic valuation of non-market goods has represented an important step towards incorporating economic considerations in decision-making about natural resources, environmental quality, and the quality of life in urban areas. Attaching monetary values to intangible features, such as quality of natural beauty and built environments, helps accounting for them in *benefit-cost analyses*, and hence in *decision making processes*, especially those dealing with *conservation* issues. A change in the provision of a non-market commodity, such a transformation of the built environment caused by a regeneration project, has social and economic impacts and can be perceived either as a gain or as a loss by the affected population. Sometimes the loss is related to symbolic values that the public perceive as disregarded by the project, despite the overall improved conditions. Nonetheless, in practice, the public's preferences for aesthetic and use attributes are rarely elicited, despite their potential importance in decision-making. This paper discusses ways of bridging this gap, and tackles some of the issues related to cultural heritage management.

1.2 The economic nature of cultural heritage

Cultural heritage comprises a portfolio of physical historical assets that represent a cultural, artistic or architectural value to society at large. It may include museums (and objects therein), churches, castles, monuments, artistic expressions, historical districts

or even landscapes. It is part of society's accessible heritage and has a clearly collective goods nature. The ownership rests with society which may also decide on the access conditions; in principle, no citizen can be excluded from its use. Clearly, the specific nature of cultural heritage as a collective good also implies that the investment and maintenance costs have to be covered by all citizens. Free ridership is not a meaningful option under such circumstances, so that usually taxation schemes – sometimes accompanied by private transaction schemes (such as entry tickets) or even subsidisation schemes – are put in place to ensure financial viability of maintaining the stock of cultural heritage. Consequently, valuation issues of cultural heritage deserve a prominent place in the socio-economic analysis of these assets.

Cultural heritage has another feature, which gives it a specific characteristic: it is usually unique in nature and hence not substitutable. Consequently, the social value of cultural heritage cannot be assessed by means of normal market transactions. The financial value of the Louvre or the Acropolis cannot be obtained by a supply and demand process on a cultural heritage market, as the usual conditions for market transactions (full information, substitutability, consumers' souvereignty with known preferences, market incentives, absence of monopoly positions, properly defined ownership conditions, fair income distribution, and absence of external effects) are lacking.

Nevertheless, cultural heritage has many important socio-economic functions that warrant a proper value assessment of these assets. Examples are: a source of public income (in case of entry charges), a historico-cultural resource related to the memory of the past, an object for education and scientific study, a source of mental inspiration, an object of historical pride, or an asset with a high artistic value. The processes and procedures through which cultural heritage derives its socio-economic value are not unambiguous, as market and non-market transactions play simultaneously a role here. In other words, financial values (obtained via market transactions) and existence values (derived from societal valuation of intangible goods) are mixed up in a less transparent way.

In conclusion, the evaluation of cultural heritage is fraught with many complex problems of both an economic and socio-cultural nature. There is not an unambiguous approach that has a universal validity. Rather, there are classes of assessment and evaluation methods that may be helpful in specific cases. The present paper aims to

offer a concise introduction to the problems at hand and to discuss various classes of evaluation techniques that have been developed and employed in the past years.

2. Issues in Conservation Policy

Cultural heritage refers to goods that have a historical meaning as socio-cultural assets and that have to be maintained for future generations. Against this background, sustainable development – as a generic term for a balanced development of our ecological social and economic systems – comprises also a careful policy regarding historical buildings, architectural assets, art expressions or urban/rural historic areas from the past.

The 'invisible hand' governing market forces does usually not hold for our cultural heritage, so that a proper price reflecting the social value of this heritage cannot be established. Thus, the market for cultural heritage is full of market failures. And usually, the property rights do not rest with individuals, but with groups, agencies or the government who are supposed to represent a collective interest. Examples are foundations, trusts or public bodies.

To avoid a free use of cultural heritage, a regulatory system is needed. This may materialize, e.g., via a system of 'listing', through which historic property is identified on the basis of historico-cultural merits. A listing of a property does usually mean a restriction in its use conditions (e.g., in case of rehabilitation), but the resulting decline in market value may be compensated by a reduction in real estate taxes or by the provision of subsidies for maintenance.

Apart from a listing of buildings, there may also be the designation of historicocultural areas as conservation areas. This system implies also limitations on construction, reconstruction or demolition of the area concerned.

Clearly, in addition to use restrictions on individual properties or areas as a whole, the public sector may also express its interest in conservation of sites or buildings through the common instruments of a subsidy, e.g., in the form of grants for improvement or maintenance.

Since there is no market value for cultural heritage, the extent of public support for a given socio-cultural asset may vary depending on the specific site, as the context and surroundings of the site co-determine the socio-cultural merits of a given historic asset. Clearly, in a commercial environment restrictions on use conditions of a site will

diminish its price, so that property owners are often not very fond of being assigned a 'protected' status. The same applies to industrial areas. It goes without saying that the valuation of the urban historico-cultural environment is a scientific effort full of mining fields.

In case of urban rehabilitation, the chances to touch somewhere an asset with a socio-cultural value is very high, and therefore, the question emerges which types of evaluation instruments are available. In the history of evaluation a wide variety of different methods has been developed, such as social cost-benefit analysis, planning balance sheet analysis, community impact assessment, multicriteria analysis, participatory group decision analysis, shadow project evaluation, and so forth. There is not a single best method, as the valuation of non-traded goods cannot be solved in a straightforward manner. Clearly, the estimation of costs has received a prominent place in the literature, but this partial approach is by no means sufficient to offer a satisfactory assessment of the societal merits of a cultural asset. The estimation of benefits is even far more complicated, as the broad societal valuation of the quality (or merit) of a cultural asset is extremely cumbersome and complicated. To meet the need for a proper evaluation technique, in the past decades several complementary methods have been developed. A sample of these methods will be discussed in brief in the next section.

3. Adjusted Evaluation Methods for Cultural Goods

The intangible nature of cultural heritage has prompted the need for adjusted evaluation methods, which would address the specificity of these assets, such as their long gestation period, their external benefits, their non-marketability, their historical identity characteristics, their multiple use feature etc. In the literature, mainly three classes of adjusted methods can be distinguished. These will concisely be discussed now.

3.1 Social cost-benefit analysis

Social cost-benefit analysis aims to assess the costs and benefits of a proposed public project for society at large. In the early literature, the Pareto-optimality concept played a prominent role, in order to incorporate also distributional effects. In the more recent literature, also external effects are included mainly by means of two methods.

One specific class is the well-known *travel cost method*, through which the benefits of a visit are approximated by means of the estimated difference between the willingness-to-pay and the actual costs (i.e., travel costs, costs of travel time, and entry fees). Examples of this method can be found inter alia in Willis and Garrod (1991) and Loomis et al (1991).

Another market-based evaluation method is the hedonic pricing technique. It aims to assess the advantages and disadvantages (including externalities) of a given asset to the user. The value of an asset is supposed to be determined by asset-specific features and contextual features such as neighbourhood conditions, accessibility etc.). Applications of this method to cultural heritage problems can be found inter alia in Moorhouse and Smith (1994) and Schaeffer and Millerick (1991).

3.2 Survey methods

In recent years, stated preference based survey techniques – in particular, contingent valuation methods – have gained much popularity. These methods aims to trace the latent demand curve for goods, such as cultural heritage, which cannot be exchanged in traditional markets. To this purpose a contingent, hypothetical market is being created where people are asked to state their willingness-to-pay (or willingnessto-accept) for a change in provision of the good object of the valuation exercise. These methods have shown to be particularly suited for the elicitation of non-use values. Interviewees are usually confronted with questions on option values, existence values, bequest values and the like. Clearly, issues related to uniqueness and irreversibility are not easy to handle in an experimental context, but significant progress has been made in recent years. Considerable efforts have been put in the minimizations of the most common biases that seemed to hamper the validity of the results. Examples of such survey-based methods can be found inter alia in Henley and Ruffel (1993), Lockwood et al. (1993), and Willis (1989). Recently, a book has been dedicated to applications of contingent valuation methods to different sorts of cultural goods (Navrud and Ready, 2002).

3.3 Multicriteria analysis

Multi-criteria analysis is a class of multidimensional evaluation methods that is rather rich in scope, as it is able to encapsulate both priced and non-priced effects, as well as both quantitative and qualitative effects of an object under investigation. Multicriteria analysis is able to encapsulate the political context of complex decision-making by including political weight schemes and interactive evaluation based on learning-by-doing principles. It has also gained much popularity in the area of cultural heritage in recent years. Various applications can be found in Coccossis and Nijkamp (1994).

4 Assessing the Rehabilitation of Cultural Assets

Conservation of urban cultural heritage features the characteristics of a public good often requiring governmental grants, or collective actions. Every conservation act relates to the social context it is expression of, the way the cultural asset is valued, the available resources, and local priorities. Therefore, scarcity of public funding may cause competition and arising conflicting interests. Valuation methods and assessment procedures should help to better integrate conservation in the social agenda, enhancing social justice and equity in the provision and management of cultural heritage. At a European level these needs have been partially addressed by the Directives establishing an Environmental Impact Assessment (EIA) of new developments, or a system of Strategic Environmental Assessment (SEA) of programmes and projects, widely discussed in this book.

In 1985 Directive 85/337/EEC of the European Commission, then amended by Directive 97/11/EC, introduced environmental impact assessment as a statutory instrument. The directive referred to the need to assess the impacts of public or private projects on the environment, including "landscape, material assets and cultural heritage". The Strategic Environmental Assessment (SEA) Directive was finally adopted in 2001. This instrument appears more targeted to cultural heritage. It envisages the identification, description and valuation of the negative and positive effects of plans and programmes on areas that may be more sensitive, such as those with special natural characteristics or cultural heritage, including architectural and archaeological heritage. Alternative options for development should be assessed *ex ante*, in terms of their social and economic impacts. The introduction of EIA and SEA has brought to the forefront the role of valuation methods in redevelopment projects, demanding for increasing confidence in their applications and for overall guidelines. Research in this direction is therefore particularly welcome. In this section, we discuss some of the most relevant issues to be accounted for in a research exercise.

Valuation of urban cultural heritage may be performed in different ways. If the aim of the assessment exercise is to ascertain how the relevant population perceive the benefits of a transformation, then the understanding of the good characteristics, the relevant status quo and the policy implications of the rehabilitation project seem to be essential.

In general, we could say that whatever the used valuation technique, the research work needs to tackle the following issues:

- 1. Accuracy of the good presentation. Given the complex nature of cultural goods, the correct specification (and graphic representation for survey-based methods) of the major characteristics of the good is of foremost importance.
- 2. Policy implications. A clear statement of the policy implications of the valuation exercise needs to be made at the start, or provided to the interviewees in the case of survey-based methods.
- 3. Alternatives definition. It is crucial to achieve simple and effective descriptions of the possible future scenarios, limiting the aim of the study to specific realistic and manageable questions. This will help downsizing the number of alternatives to consider.

The results will likely vary according to the aim of the valuation exercise. Values that people attach to different cultural assets and their rehabilitation will depend on local situations. The more the research aim is focused, the higher the degree of confidence of the results and their validity in the public arena. This attitude responds to the acknowledgment of the subsidiarity principle. Indeed, cultural heritage values are highly site- and good-specific. Some authors (see Pearce *et al.*, 2002) dwell on this issue to suggest the unreliability of benefit transfers to this category of non-market goods. Nonetheless, general conclusions may be drawn and verified with further comparative research, and the potential of comparative and meta-analysis has still to be fully explored (see also Florax et al., 2002).

A change in status quo of a cultural asset may occur for different reasons. On the one side, we have issues linked to the management of the asset and the possibility of changing the provision of the good, even with implications on the nature of the good itself (e.g. restricting access, change in ownership, restricting future uses introducing listing constraints, etc). On the other hand we may have transformations of the status quo with no implications for the way the good is provided, or the users' platform. This is most likely the case of straightforward rehabilitation cases, where the aim is simply an improvement in the provision of the good, with no major changes in the way the

good is provided to the different sectors of society. Of course, a large array of intermediate solutions is possible, however, the above distinction will still hold.

A valuation exercise will therefore respond to the above issues. Whilst not renouncing to the complexity of the problem, we suggest establishing priorities in the research aims that may mirror the need for effective policy implications. The choice of the valuation method to be used will depend on the main features of the valuation problem, as well as on the level of information required for a cost-efficient application of the results.

5 Managing Cultural Heritage Sites: the Role of Assessment Methods

Conservation of cultural heritage and sites is endorsed by a number of international Charters and documents promulgated by organizations such as UNESCO, ICOMOS (International Council On Monuments And Sites) and the Council of Europe. The UNESCO general conference in Paris in 1972, adopted the convention concerning the Protection of the World Cultural and Natural Heritage, signed by 158 nations. This represented an important step towards the definition of common guidelines, stressing the necessity of international political agreement for the conservation and management of world heritage. Several documents have been ratified on these issues, and some of them are quoted in this section. Among the other initiatives, we have the UNESCO world heritage list, which gives to the selected cities and sites a world interest status, and the Monuments Watch, for endangered sites.

A number of international documents may be considered seminal for the development of modern conservation theory. The Athens Charter in 1931 first highlighted at the international level the role of historic building conservation. This was followed by the International Charter For The Conservation And Restoration Of Monuments And Sites, the Venice Charter, in 1964. The Venice Charter first switched the focus from the landmarks, the monuments, to the urban setting, attaching value to cultural sites as a whole. The European Charter of the Architectural Heritage, 1975 was adopted by the Council of Europe in Amsterdam. This charter first mentioned the economic values embedded in the urban cultural heritage, defining the architectural heritage as "a capital of irreplaceable spiritual, cultural, social and economic value", calling for an integrated conservation of these assets. These aims were strengthened by the Convention for the Protection of the Architectural Heritage of Europe signed in

Granada, in 1985. This document specifically identified the need for all conservation issues to be considered in urban and regional planning, advising for coordinated European actions on the matter. It also encouraged the development of fiscal measures and public private partnerships to offer incentives to the conservation industry. The attention towards urban heritage was stressed further by the Washington Charter, 1987, i.e. the Charter For The Conservation Of Historic Towns And Urban Areas, which highlighted the importance of residents' participation in the conservation process.

Despite the global attention for the way cultural heritage is preserved for the future, its management is usually conducted under each individual nation's legislation. In fact, Article 151 of the European Treaty while highlighting the importance of the cultural diversity of the Member States and the need to bring "common heritage to the fore", advocates the subsidiarity principles, based on which, the Council may create incentive measures towards conservation, excluding any harmonization of the laws.

Many other charters, EU resolution and programs have been promulgated in recent years on different aspects of cultural heritage preservation and management, aiming to tackle the composite issues surrounding urban heritage (i.e., the International Cultural Tourism Charter 1999, the Charter For The Protection And Management Of The Archaeological Heritage, 1990, *etc.* to mention a few).

The Amsterdam Charter in 1975, for the first time, referred to cultural heritage goods as *capital*, in other words as economic goods, a resource, and therefore an asset. Since then, much has been discussed on the economic implications and benefits of conservation. The UNESCO and the World Bank, meeting in Beijing in July 2000 with experts from all over the world, stated the relevance of regulations as prerequisite for the protection of cultural heritage that need to involve both decision makers and local communities. As Luxen (2000) stated in Beijing, the preservation of cultural heritage has been usually perceived as a "public expenditure therefore excluded from cost/benefit analysis". A new strategic attitude needs to be developed, where preservation and restoration works may be perceived as real investments. The acknowledgment of the economic values attached to cultural goods is of strategic importance in order to make a negative or uninterested attitude change. The role that economic valuation methods can play is therefore more integrative and policy-oriented.

Despite the appreciation of the role played by *cultural heritage* in the development of the city, research efforts have not been sufficiently integrated to tackle the complex issues related to its *conservation* and the need to develop comprehensive approaches

and methodologies for its *management*. As discussed above, planning the *sustainable development* of today's European cities implies accounting for an adequate *conservation of* their *heritage*. It is our duty to enhance awareness for the conservation of our cultural heritage, in order to transmit the heritage we have received to future generations in its integrity, as recommended by the wealth of International Charters and agreements.

The role played by cultural heritage in the development of national identities has been discussed at length in recent year. We are now more aware of the economic relevance of this resource, and at present the focus is not so much on highlighting the importance of heritage sites, but more on *managing* those sites. But what is cultural heritage management? To what extent can we plan the fruition and exploitation of cultural goods in a way that is compatible with their preservation and with a sustainable development of the rest of the cities to which that heritage belongs? What are the tools and methodologies that we should use and enhance to achieve these objectives?

From an economic point of view, we may define cultural heritage management as the identification of the *optimal exploitation path* for this category of *non-renewable resources*. Given the great number of variables involved, this path is not unique, and we may need to assess different management options for every given policy issue.

Management issues may vary according to the social and cultural context of different parts of the world. As discussed above, each city in the world is identified by its peculiar historic development, testified by its cultural heritage. Though the architectural and historic features may differ at the national level, the challenges that historic buildings and sites are facing have common features. The rapid development of economies is often a threat to the conservation of historic sites. The severe environmental hazards caused by poor air quality, traffic congestion, or overexploitation of heritage sites represents a threat that, for example, each European country is currently experiencing at some level. The damage to heritage may be irreversible and may at the end cause the destruction of a central part of a social community's cultural identity.

Valuation methods play a strategic role in this context. They represent an essential tool to assess the value of urban heritage per se, the potential economic benefits of its transformation, the damage caused to it by environmental hazards, and the benefits of alternative management options for its exploitation. Assessment methods therefore play a part in the assessment of progress towards city sustainable development.

Agenda 21 binds local authorities to implementing at local levels the commitments made towards sustainable development by the international community. It was drawn up in 1992 at the "Earth Summit" in Rio de Janeiro - and has since become the main mechanism for community planning for sustainability. The Local Agenda 21 is an approach through which a local community defines a sustainable development strategy and an action programme to implement it. Monitoring progress towards the defined sustainability goals is therefore important to enhance the possibility of success of a given strategy.

The urban environment is part of the natural environment, and though some general considerations hold for both, the peculiar characteristics of the built environment mean that different indicators are needed to measure progress towards sustainability. Urban sustainable development can be measured against improvements in citizens' quality of life, in terms of environmental, economic, and psychological welfare. This development needs to account for future generations, preserving the built and natural environment and creating the social and economic conditions, which may give them the same opportunities as the current generations. While social cohesion appears very difficult to define in terms of indicators, in the past years more work has been done on the assessment of economic indicators.

Clearly, an urban development that does not account for the necessity of appropriate management of cultural goods is not sustainable in economic, cultural and social terms. But how to assess management strategies for cultural goods conservation is a challenge to policy-making as well as a matter of research. A sine qua non for improving current practices is the enhancement of current valuation methods and conservation technologies.

6. The Way Forward

It seems appropriate at the end of this contribution to explore the road ahead. For a policy-relevant and widely accepted evaluation of cultural heritage it is necessary to work on two frontiers, viz. an improvement of the existing analytical apparatus and a broader use of learning mechanisms based on comparative analysis and meta-analysis.

6.1 The role of assessment methods in supporting decision-making

A brief assessment of suitable methodologies that may help cultural heritage management is in order now. Evaluation of cultural heritage cannot be based on generic assessment techniques, but has to be performed by tailor-made methods that address the specifications of cultural assets. Sometimes travel costs methods or hedonic price methods may be appropriate, although we have recently witnessed an increasing popularity of contingent valuation methods. Such methods have a great potential, provided that specific elements of cultural heritage (such as uniqueness of assets and historical connotation) are well incorporated. But in general, contingent valuation studies have been recently applied to cultural heritage goods with an increasing degree of confidence. The first applications have seen more an interest in exploring the technique's validity for the specific nature of cultural goods. More recent applications have tended to focus on the policy implications that valuation studies may have in the management of the resource. Conjoint analysis seems to be one of the better suited approaches to deploy complementary management models for cultural goods and therefore to substantiate our understanding of rehabilitation projects.

6.2 Comparative study and meta –analysis

There is a wide variety of cultural heritage issues which exhibit a great diversity. Therefore, comparative analysis may help us – by means of learning mechanisms emphasizing common and contrasting features to improve our understanding. An increasingly popular proper analytical instrument for performing comparative studies based on ex post applied studies is meta-analysis. The meta-approach was introduced by social study researchers in the early 1970s to overcome common problems such as the lack of large data sets in order to induce general results and the problem of uncertainty of information and of data values. Meta-analysis is a systematic framework, which synthesizes and compares past studies and extends and re-examines the results of the available data to reach more general results than earlier attempts had been able to do.

The meta-analysis approach thus offers a series of techniques that permit a quantitative aggregation of results across studies. In so doing, it helps to more clearly provide defined valuations of the economic costs and benefits from the available data. It can also act as a supplement to more common literary-type approaches when reviewing the usefulness of parameters derived from prior studies and help direct new research to areas where there is a need to summarize and induce general results from studies

already developed on similar problems. Meta-analysis is therefore concerned with the synthesis of results and findings from scientific studies. Glass, who in 1976 coined the term meta-analysis, provides a simple definition of this approach: "meta-analysis refers to the statistical analysis of a large collection of results from individual studies for the purpose of integrating the findings. It connotes a rigorous alternative to the casual, narrative discussions of research studies which typify our attempts to make sense of the rapidly expanding research literature". Meta-analysis has seen an increasing range of applications in environmental management problems (see Van den Bergh et al., 1998) but its use in cultural heritage assessment is still rather rare. There is no doubt a clean scope for further applications of meta-methodologies in cultural heritage analysis.

References

- Alberini A. Riganti, P. and A. Longo (2003) "Can People Value the Aesthetic and Use Services of Urban Sites? Evidence from a Survey of Belfast Residents", *Journal of Cultural Economics*, *Volume* 27(3-4).
- Bergh, J.C.J.M. van den, K. Button, P. Nijkamp and G. Pepping (1997), *Meta-Analysis in Environmental Management*, Kluwer, Dordrecht
- Coccossis, H. and P. Nijkamp (1994), *Evaluation of Cultural Heritage*, Ashgate, Aldershot, UK
- Florax R., Nijkamp P. and K.G. Willis (2002), *Comparative Environmental Economic Assesment*, Edward Elgar Publishing, UK
- Glass, G. V (1976). Primary, secondary, and meta-analysis of research. *Educational Researcher*, 5, 3-8.
- Graham, B., Ashworth G.J. and J.E. Tunbridge (2000), *A geography of Heritage: Power, Culture and Economy*, Arnold Publisher London and Oxford University Press, New York.
- Hanley, N., and R. Ruffel (1993), The Contingent Valuation of Forest Characteristics: Two Experiments, *Journal of Agricultural Economics* 44, 218-229
- Lockwood, M., J. Loomis and T. DeLacy (1993), A Contingent Valuation Survey and Benefit-Cost Analysis of Forest Preservation in East Gippsland, Australia, *Journal of Environmental Management* 38, 233-243

- Loomis, J.G., M. Creel and T. Park (1991), Comparing Benefit Estimates from Travel
 Cost and Contingent Valuation Using Confidence Intervals for Hicksian
 Welfare, *Measures Applies Economics* 23, 1725-1731
- Luxen, J.L. (2000) Introductory statement at the conference on "Cultural Heritage Management and Urban Development: Challenge and Opportunity", Beijing 5-7 July 2000. *Conference proceedings*.
- Moorhouse, J.C. and M.S. Smith (1994), The Market for Residential Architecture: 19th Century Row Houses in Boston's South End, *Journal of Urban Economics* 35, 267-277
- Navrud S. and R. Ready (2002), *Valuing Cultural Heritage*, Edward Elgar Publishing, UK
- Pearce, D., Mourato S., Navrud S. and R. C. Ready, "Review of existing studies, their policy use and future research needs" in *Valuing Cultural Heritage* by S. Navrud and R. Ready (2002), Edward Elgar Publishing.
- Seragaldin, M. (2000), Preserving the Historic Urban Fabric in a Context of Fast-Paced Change, in *Values and Heritage Conservation*, by Avrami E., Mason R. and M. de la Torre, Research Report, The Getty Conservation Institute, Los Angeles.
- Schaeffer, P.V. and C.A. Millerick (1991), The Impact of Historic District Designation on Property Values: An Empirical Study, *Economic Development Quarterly* 5(4), 301-312
- Throsby, D. (2000) "Economic And Cultural Values In The Work Of Creative Artists", In *Values And Heritage Conservation*, by Avrami E., Mason R. and de la Torre M., Research Report, The Getty Conservation Institute, Los Angeles.
- Willis, K. (1989), Option Value and Non-User Benefits of Wildlife Conservation, Journal of Rural Studies 5(3), 245-256
- Willis, K. and G. Garrod (1991), An Individual Travel Cost Method of Evaluating Forest Recreation, *Journal of Agricultural Economics* 42, 33-42