Culture Counts
Financing, Resources, and the Economics of Culture in Sustainable Development

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Proceedings of the Conference
Florence, Italy

Cosponsored by the Government of Italy and the World Bank in cooperation with the United Nations Educational, Scientific, and Cultural Organization
Culture Counts
Financing, Resources, and the Economics of Culture in Sustainable Development

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Proceedings of the Conference held in Florence Italy, October 4-7, 1999, cosponsored by the Government of Italy and the World Bank, in cooperation with the United Nations Educational, Scientific, and Cultural Organization
NOTE TO READERS

Several conference speakers gave their presentations in their native language and chose to have these speeches reproduced in this publication in their native language. Therefore some speeches are printed in French or Italian.

For more information about the plenary speakers, a brief bio of each appears in Part Four: Resources, along with contact information of all plenary speakers.
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Florence, Italy, was the site of the international conference, *Culture Counts: Financing, Resources, and the Economics of Culture in Sustainable Development*, from October 4 to 7, 1999. The Government of Italy and the World Bank cosponsored the conference in cooperation with UNESCO, aiming to advance the international agenda on culture in sustainable development. About one thousand conference attendees from all continents participated in the four-day event.

The premise of the conference was that culture is crucial to advancing sustainable development. The objectives were to (1) promote the expansion of economic analysis in, and resources available for, culture in sustainable development programs; (2) expand the range of institutions and actors involved in culture with a development perspective; and (3) increase the instruments to be used for these programs. The conference provided an important forum for experts and key decisionmakers to discuss the full range of economic and financial issues linked to the cultural dimensions of poverty alleviation in developing countries.

In recent years, multilateral development banks, bilateral development agencies, and a number of institutions and individuals involved in development programs have recognized the urgent need to assist developing countries in preserving their cultural resources and assets; moreover, to relate cultural values to development. For a long time, UNESCO has advocated a greater mobilization of human and financial resources for cultural development. Following this lead, other players have begun to include activities in their programs aimed at preserving cultural resources and supporting cultural programs in developing countries. Explicit requests for assistance in this area by the international community have come both from governments and representatives of civil society of many countries.

The growing interest in cultural assets is similar in some ways to actions on behalf of the environment more than three decades ago. Like the environment, there is a risk of permanent loss of diversity within the realms of built and natural cultural assets, archives and libraries, traditions, values, and knowledge. All are at risk, especially in the poorest countries. An effort to preserve and enhance cultural assets and expressions can also provide important economic returns and opportunities for greater social cohesion. Investments in culture—besides generating tourist flows—can help poor communities grow out of poverty and encourage local development by strengthening social capital and expanding opportunities for education.

The Government of Italy is presently engaged in an effort to systematically include culture both in domestic development programs and in the activities of international development assistance. The World Bank is mainstreaming culture in its lending programs and has already launched several projects that fully include culture in a broader range of development activities. It is clear that any scaling up of these programs will require working in partnership with a wide range of forces.

The Florence conference provided a forum for a new and exceptionally diverse coalition of actors willing to join their forces and energies around the issue of culture in development programs. Participants in the conference included not only culture ministers and experts, but representatives from finance ministries, development agencies, private commercial banks, major multinational companies, foundations, and a variety of nongovernmental organizations. About one hundred countries, with greatly different economic conditions, were represented at the conference. This combination of people provided a unique
opportunity to strengthen the active network advancing culture in sustainable development.

With its emphasis on the financial aspects of culture, the conference provided the platform to address many important issues: the effects of culture on current market and development trends, involvement of the private sector in cultural heritage management, incentives to foster private involvement, partnerships, collaboration between private interest and public institutions, strategic grants by corporations, corporate philanthropy, individual gift-giving and family foundations, grant programs from independently endowed foundations, and human resources in traditional artistic and educational fields presently without opportunities for employment.

The following individuals were instrumental in making the Florence conference possible: James Wolfensohn, Lamberto Dini, Franco Passacantando, Ian Johnson, Gianfranco Facco Bonetti, Ismail Serageldin, Gloria Davis, and Joan Martin-Brown. The contributions of many are bound in this volume which contains the conference program agenda, presentations, and proceedings. However, even this robust compilation cannot give full account of the wealth of exchanges—often at the informal level—that took place during the four-day event. Still, they will provide new insights and make a major contribution to the discussion on culture in sustainable development, and certainly entice new action.
Acknowledgments

A major international conference requires a variety of talents, team work, support, and the dedication of many individuals and institutions with multiple capacities. Fortunately the “culture counts” conference was well endowed with these elements. The complexity of the conference required the cooperation of several levels of government departments in Italy, multiple units in the World Bank and UNESCO, and the fullest engagement of over 20 regional, national, and international specialized institutions from both the public and private sectors. Originally planned for approximately 550 participants, the conference attracted over 1,000 people.

The conference success, in great part, was due to the excellent presentations by the plenary, panel speakers, and many governments. In addition, its success was made possible by the organizers and participants in the Seminars and Thematic Working Groups, who often provided their own resources and their organizations’ support to assure that the conference maximized opportunities for the development of new knowledge, networking, information exchange, partnerships, and strategies for next steps.

The core conference team for the Bank consisted of four staff, complemented by a similar number in the government of Italy, and one person from UNESCO. However, throughout the preparatory processes and during the conference, there were many more colleagues in the sponsoring institutions who undertook special initiatives to enable the conference.

At the World Bank, Marina Galvani, a cultural economist, managed the delivery of the 6 seminars and the 17 thematic working groups, in addition to providing invaluable insights and guidance. Marc Halcrow managed all the logistical requirements associated with the plenary speakers and panels, as well many other demanding assignments, joined by Edie Fattu.

The Bank’s efforts would have had little effect without the very important commitment of the government of Italy under the able leadership of Gianfranco Facco Bonetti, Director General for Cultural Relations, Ministry of Foreign Affairs. His organizational skills in hosting the event, overall cooperation and support, aided by his team Eugenio Campo, Arturo Luzzi, Enrico Vattani and Angelo Mula, assured the conference’s smooth implementation.

Y. Raj Isar, Director, Cultural Policies for Development Unit, served as UNESCO focal point for the conference. His role was critical in assuring effective cooperation with the conference planning processes, in support of Hernán Crespo-Toral, Assistant Director General and his colleagues in UNESCO Culture Sector. In addition,
Gianfranco Facco Bonetti and Y. Raj Isar, prepared the joint document, “Towards New Strategies for Culture in Sustainable Development”, that contributed to the general discussion.

We are grateful to Stefano Starace, Deputy Chief of Protocol for the Foreign Ministry and his team.

Special thanks to Alessandro Bianchi of the Italian Central Restoration Institute, Benedetto Benedetti of the Scuola Normale Superiore of Pisa, and Giorgio Croci of the University of Roma who provided important expertise; and to Francesco Bandarin for his advice and guidance, as well as sponsorship for an associated event.

The support and contributions of the following people made the conference special for many: Bruno Munghi, Wanda Ferragamo, John Gage, Patricia Fitzgerald, Claudia Ronchi, Michele Cozdarò, Barbara Oliviero, Antonella Baldino, and James Quigley. Important corporate sponsors included Sun Microsystems and Salvatore Ferragamo Italia S.p.a. The American Consulate, Florence, and the U.S. White House advance team, ably assisted by Dehdan Miller and Farnaz Khadem, worked at many levels to coordinate their requirements with the conference.

The authorities of the Region of Tuscany, Prefettura of Florence, Cities of Florence, Lucca and Assisi, and the Firenze Expo S.p.a. extended themselves fully to provide the most gracious assistance and hospitality and to host auxiliary events. This splendid hospitality was supported by Fondazione Cassa di Risparmio di Firenze; Fondazione Piaggio; Mediocredito Centrale S.p.a.; Galleria degli Uffizi; Istituto Centrale del Restauro (ICR); Istituto per il Restauro; Palazzo Spinelli Firenze; Opificio delle Pietre Dure; Soprintendenza per Beni Artistici e Storici di Firenze; Soprintendenza per i Beni Ambientali ed Architettonici di Firenze; Soprintendenza per i Beni Artistici, Ambientali, Architettonici e Storici di Pisa; and Massa and Livorno.

We are deeply indebted to the students in Florence who volunteered long hours of hard work prior to and during the conference, and made an enormous difference at critical times. They included Grazia Piras, Amila Ibricevic, Heidi Adrienne Fothergill, Jacques Michael Rauber, Philipp Navratil, Lauren Eastman, Lydie Hudson, and Donald Brenninkmeijer.

The important contributions of the Seminars and Thematic Working Groups were made possible under the leadership of Y. Raj Isar, Doudou Diène, Vincenzo Petrone, Ellen Lovell, Caroline Croft, Bonnie Burnham, Colin Tweedy, Marc Laenen, Jose-Maria Ballester, Vera Boltho, Ann-Belinda Preis, Paola Leoncini Bartoli, Albino Rumberti, Eduard Delgado, Francesco Bandarin, Keshav Varma, Geoffrey Read, Stephano Bianca, Gian Ludovic de Martino, Kreszentia Duer, Michael Walton, Nicolò Savarese, Jef Malliet, Giorgio Croci, Jean-Louis Luxen, Damien Pwono, Armando Peres, Pietro Giovanni Guzzo, Mario Verdese, Claudia Franceschini, Maritta Koeh-Weser, Elisa Liberati-Prati, Carrolle Carr, Salvatore Settis, Alfredo Ronchi, and Arlene Fleming.

In the months preceding and during the conference, Nicholas van Praag, Ephim Shluger, Zeina Afif, Rebecca Leavitt, Carrolle Carr, Elisa Liberati-Prati, Geoffrey Read, Lee Harper, Elizabeth Ashbourne, Gita Hemphill, and members of the Bankwide Florence Working Group assisted in many ways to support this initiative. Tomoko Hirata deserves special thanks for her exceptional graphic designs for the conference, and Helen Meade for her management and delivery of the conference’s printed materials.

And finally, we are all grateful to the editorial skills of Sheldon Lippman who prepared this report on a tight schedule and budget.

Joan Martin-Brown
Conference Task Manager
The World Bank
Rationale for the Conference

1. The Government of Italy and the World Bank, in cooperation with UNESCO, are convening a conference to address the importance of financing, resources, and the economics of culture in sustainable development, October 4 to 7, 1999, in Florence, Italy. The conference provides an important opportunity to advance the international agenda on culture and sustainable development, and it responds to the World Bank’s Comprehensive Development Framework.

2. The UNESCO Intergovernmental Conference on Cultural Policies for Development (Stockholm, March–April 1998) has called on governments to “make more human and financial resources available for cultural development.” The urgent need for financing and resources mobilization is also a key message in the report of the World Commission on Culture and Development, Our Creative Diversity.

3. The September 1998 World Bank conference, Culture in Sustainable Development: Investing in Cultural and Natural Endowments, held in Washington, D.C. and co-sponsored by UNESCO, was to assert the Bank’s recognition of the tangible and intangible value of culture in sustainable development. Many public and private cultural institutions took part in this conference and welcomed the Bank’s new emphasis on culture.

4. The World Bank is working on projects that advance financing for preserving and enhancing cultural assets within client countries, as components of, or as stand-alone development projects. The objective is to provide new opportunities for poor communities to grow out of poverty, to encourage local level development, to conserve and generate revenues from existing physical assets, to strengthen social capital, to expand the opportunities for education, and to provide and/or improve attention to the cultural aspects of infrastructure.

5. In this context the World Bank seeks to strengthen its partnerships with UNESCO, and with the many institutions also engaged in addressing the cultural aspects of development. The Bank and UNESCO both seek the fullest inclusion of expertise drawn from the civil society, academia, foundations, and the private sector. Expanding partnerships creates new synergies. They add value to the work with governments and other institutions, and such partnerships can lead to expanding knowledge about best practices and the importance of culture in sustainable development, as both constitutive of development and as an instrument of development.

6. There are many issues associated with the financing of culture and the role of culture in financing development. For example, what incentives and regulatory structures are required? To what extent can economic and other types of returns be determined and calculated? How can co-financing partnership agreements with other institutions be
8. Thus there is a critical need to focus on the need for analysis and assessments that can relate culture and sustainable development, as well as on the need for adequate resources within international, national, and local institutions to enable them to undertake such work. Another primary concern is the need for training at all levels in the skills of cultural assets management, and to provide for this training. There is critical need at all levels in a variety of roles for leadership that allows informed interventions, and that results in the good management of public and private assets such as museums, cultural sites, and archives, so that they can be sustained.

9. Job creation, especially for those who live in poverty and who often live in or around the sites under threat, should be a core goal when investing in cultural assets. How can plans for cultural sites engage with the issues of poverty, and translate in ways that provide education and training for the poor? Work on culture can also mean work in many related sectors. What new opportunities for cooperation among leaders in education, culture, urban planning, transporta-

most effective? What can be replicated in achieving self-sustaining cultural development? What types of international loans are available to the emerging private sector of the cultural industries in developing countries? What are the methodologies available that can be used to assess the technical and economic terms of cultural projects presented by private borrowers in this field? What incentives and regulatory structures are the most effective and appropriate for national governments to support culture in a developmental framework? Are the innovations employed by some organizations and/or countries to raise funds for culture able to be replicated in client countries? What are the best approaches to providing financial support to protect the integrity of cultural diversity? What are the best measures to protect the integrity of cultural diversity? What cultural values and practices are most closely linked to sustainable development?

7. Too often development initiatives, in actions to improve services and facilities, have not addressed the significant roles that cultural identity and assets play in social cohesion, economic development, employment, education, and decisions about infrastructure. There are instances of tangible cultural assets being assessed as impediments to development. Such misperceptions illustrate the challenges requiring attention.

9. Job creation, especially for those who live in poverty and who often live in or around the sites under threat, should be a core goal when investing in cultural assets. How can plans for cultural sites engage with the issues of poverty, and translate in ways that provide education and training for the poor? Work on culture can also mean work in many related sectors. What new opportunities for cooperation among leaders in education, culture, urban planning, transporta-

10. Current frameworks for international cooperation on cultural matters involve both the national legislation of a lending country, as well as elements of the 1972 UNESCO convention, which call for advancing assistance to developing countries. From the 1931 Athens Charter to the 1964 Venice Charter, there are also common principles that are now accepted worldwide. These frameworks are important vehicles for financial institutions in reviewing portfolios. They can help to improve the quality of projects and cooperation among a variety of international, regional, and national institutions; and help reconcile cultural and economic requirements.

11. Processes can be created that result in an examination of the values and rules in place, and include a review of those existing international, regional, national, and/or local communities provisions related to culture. Appropriate land use planning is an important tool in this context, not only for the identity of community, but also to enhance built cultural sites, improve the planning and implementation of new infrastructures and governance processes, and to attend to natural cultural sites. There are many methodological guidelines that can be better understood and employed for projects on cultural heritage and landscapes, particularly in conservation.

12. Culture in sustainable development is ultimately about the need to advance development in ways that allow human groups to live together better, without losing their identity and sense of community, and without betraying their heritage, while improving the quality of life.

Objectives And Outcomes Of The Conference

13. The Florence Conference provides opportunities and platforms for an examination of the important aspects of financing culture that can embrace the built and social dimensions, as well as cultural natural patrimony. Thematic Working Groups, each sponsored and organized by a lead partner, as well as the Bank and UNESCO, will consider a variety of issues, approaches, and possible funding strategies that can lead to mobilizing resources, including in-kind resources, products,
and grants; discuss those resources provided by bilateral donors through partnership agreements with other institutions; and present foundation and private sector experiences.

14. Because culture embraces areas as diverse as cultural heritage, publishing, audiovisual industries, handicrafts and design, oral traditions, multicultural relations, social cohesion, and more, the feasibility of creating special approaches for funding and financing can be informed by some of the vehicles devised by other institutions; and that may, in some cases, even include recent experiences in environmental valuing, conservation, and economic management. Of great importance is the potential that certain areas offer for using a mix of foundations support with public and private lending.

15. The Florence Conference will provide forums in which developing countries, the Bank, UNESCO, other international organizations and institutions, foundations, the private sector, and other partners can address policies with respect to culture, possible funding approaches and vehicles, and the future potentials of existing partnerships.

16. Participants are invited to address how financing culture can be widened and deepened based on field experiences in the preservation and/or enhancement of cultural heritage, through the promotion of traditional and contemporary arts, through overall cultural policy formulation, as well as through sector development policies in other sectors.

17. Client countries have been invited to present their cultural concerns and to present the challenges and potentials in supporting cultural patrimony and cultural industries in sustainable development. This information should help to clarify the needs for national and international expertise and financing.

18. Program content is to include information on the strategy and funding mechanisms of other organizations, including national governments and inter-governmental organizations such as the Council of Europe, ICCROM, the philanthropic efforts of corporations, foundations and NGOs that do not rely on public funding.

19. The Conference can achieve the following:
   - Help foster a series of proposals that could contribute to future collaborative actions on culture and development among international organizations, including UNESCO, the World Bank, the private sector, and governments.
   - Provide a forum for governments and other partners, including representatives from the private sector and foundations, to consider new initiatives for dedicating funds to cultural initiatives.
   - Promote initiatives that result in developing more analyses and methodologies to underpin considerations by governments, key international, and regional financial institutions to finance culture projects that advance sustainable development.
   - Provide a forum to consider special accounts that enable international institutions and governments to strengthen their expertise in culture; expand the pipeline of projects relating to culture; establish newly defined policies and institutional capacity building.
   - Publish conference proceedings, and other documents to expand the inventory of case work and knowledge of best practice. This can include expert papers and information documents compiled by the convening organizations, contributions from other cosponsors, and organizations. In addition, the proceedings will be disseminated through Internet.
Welcoming Remarks

Alberto Brasca
Presidente Consiglio Comunale di Firenze

The opening plenary session presents the broad issues to be addressed in the conference and its vision.
• The important role for culture in sustainable development and the need for new partnerships among multilateral development agencies, the private sector, foundations, nongovernmental organizations, and academia to support this work; and
• The importance of poverty reduction in culture in sustainable development programs.

Signor Ministro, Signor Presidente della Banca Mondiale, Autorità, illustri relatori, signore e signori.
È un piacere ed un grande onore porgere a tutti Voi il saluto della città, un cordialissimo benvenuto, l’augurio di buon soggiorno e soprattutto di buon lavoro in questi quattro giorni di impegnativi confronti sui temi della cultura e dello sviluppo, qui a Firenze.

Credo doveroso, in primo luogo, esprimere il nostro compiacimento e la nostra riconoscenza al Ministero degli Affari Esteri, alla Banca Mondiale e all’UNESCO per aver scelto Firenze come sede di questa prima conferenza Mondiale.

Firenze è probabilmente la città con la più alta concentrazione al mondo di beni culturali: uno scrigno di tesori inestimabili che sono patrimonio universale.

Io non so se oggi Firenze sia all’altezza del suo grande passato, se sia custode sufficientemente attenta e dinamica del suo straordinario patrimonio di storia e di cultura. Certamente sarebbe necessario fare di più e meglio. E magari da questa conferenza trovare a Firenze un terreno fertile e sensibile.

La consapevolezza della straordinaria valenza culturale della città, infatti non è solo degli specialisti o degli operatori culturali. È qui a Firenze comune, un sentire diffuso, un elemento costitutivo della nostra identità.

L’impiego di risorse per la tutela dei beni culturali non è vissuto qui come gesto di doveroso rispetto per il nostro passato ma come necessità dell’oggi, come investimento sul nostro futuro.

L’intreccio tra cultura ed economia, tra spesa culturale e sviluppo economico è un dato di fatto della nostra quotidianità, quasi un riflesso istintivo dell’amministrazione pubblica come dell’impresa privata.

La cultura è parte integrante della nostra realtà economica, la risorsa più pregiata su cui fondiamo le nostre prospettive di crescita e di sviluppo.
Non vogliamo la città-museo, da vendere come spettacolo ai turisti.
Ci battiamo per una città che sulla consapevolezza della sua storia sappia far crescere con dinamismo una nuova qualità dello sviluppo, che sappia tutelare la qualità della ricerca e delle nuove tecnologie.

Firenze è e vuole essere città universale, città del dialogo, punto di incontro e di confronto tra culture diverse, città del rispetto e della solidarietà.
Ospitare oggi questa conferenza che vede insieme a discutere sulle prospettive della cultura e dello sviluppo esperti di oltre 150 paesi del
mondo ci riempie di orgoglio e di speranza perché certamente verranno indicazioni importanti per una nuova qualità dello sviluppo nel mondo.

A tutti ed a ciascuno di voi voglio dire semplicemente che in questa giornata a Firenze non solo siete graditissimi ospiti, siete in una città che è anche vostra.
Welcoming Remarks

Marialina Mancucci
President of the Regional Government of Tuscany

The cultural heritage and sustainable development: Tuscany’s choices

Florence and Tuscany are known and loved throughout the world as places symbolic of culture, art and science. Our cultural heritage is felt and considered to be the heritage of humankind. Ours is a region in which cultural activities are especially important for the economy, employing a higher percentage of people than in industry and with a substantially higher growth rate. In Tuscany, culture and the cultural and environmental heritage are the core of every government action aimed at supporting and enhancing growth.

We are proud to host this conference in which the World Bank jointly with UNESCO and the Italian Government examine the theme of culture as a resource for development. Here indeed Culture Counts.

Tuscany has an inestimable cultural heritage, disseminated throughout the region:

- 319 museums,
- 5,787 archaeological sites,
- 2,300 religious monuments of historical interest,
- 5,000 historical homes,
- 4,000 castles and fortifications,
- Institutes and libraries,
- Theatres of historical and cultural interest.

Tuscany is also a green region with a strong commitment toward protecting the natural environment and landscape. A third of the forests in Italy are in Tuscany, with more than a thousand trees per inhabitant. There are 166 conservation areas, 3 natural parks, 36 wildlife sanctuaries, 4 internationally important wetlands. For Italy, and even more so for Tuscany, the cultural and environmental heritage is not a restraint but rather a decisive factor for development, orienting important production sectors such as tourism and specialised building and promoting new professions and technologies.

*The Tuscan development model* for the 21st century is based on enhancing the cultural and environmental heritage. Our funding of culture is no longer a matter of costs to bear but our “black gold”, which can draw investments even from the private sector and create employment, wealth and growth.

We have identified the sources from which to extract this black gold: the architectural heritage, archaeological sites, mineral parks. We have organized a series of projects in line with the Region’s development potential.

Work completed

This work is based on the Region’s programming role and on cooperation with the local authorities,
the Monuments and Fine Arts Services, and private institutions. We have developed initiatives to publicize the projects under way and to encourage further projects, including training activities for operators who have been put in charge of what has been recovered.

In four years we have promoted 400 operations involving the protection and enhancement of cultural property, including initiatives in connection with the Jubilee, with an overall investment of approximately 800 billion lire. We have supported initiatives to develop tourism even in the so-called minor areas in Tuscany, promoting a new field of activity, farm holidays, which is experiencing a real boom in Tuscany.

It is also thanks to this that in 1998, Tuscany created 41,000 new jobs, more than any other region and 25 percent of the national average. We can say this with satisfaction, knowing how many Tuscans are working hard to maintain high levels of competitiveness and efficiency of the regional economy. This result is also due to a policy of cohesion among the institutions, private enterprise and social partners, which has given and continues to give good results.

Tuscany today

Tuscany has grown in recent years. In 1970, in terms of income, it was 12 points below the European average. Now it has reached a stable 13 points above. Between 1989 and 1995 we had the highest increase in investments in Italy. We are among the regions able to spend Community funds—quickly and well. In the period between 1994 and 1999, we used all the resources allocated by the European Union. The Tuscan System has promoted many initiatives in favor of development: with new and well-equipped production areas, the growth of new technologies in the business sector, through cooperation with the University and the National Research Council, and by funding integrated area projects for the development of cultural activities and tourism.

Tuscany is also deeply committed to develop youth employment: the region has embarked on an entirely new venture, with a law to promote young people’s enterprises. In 5 years this initiative has led to the opening of 1,500 new enterprises, one a day not counting public holidays; they have made investments totaling 230 billion lire and have created 7,000 new jobs.

Partnership, training and innovation for the protection and enhancement of the cultural heritage.

Joint planning and practical cooperation between the regional government and authorities and public and private institutions have led to the establishment of coordinated networks of functions, instruments and funds able to guarantee the high quality and efficiency of both actions and results, as well as a large volume of investments for the protection and enhancement of the cultural heritage.

Extremely interesting experiences and pilot projects are thus emerging and being developed, such as the following:

- Excellent network for research and for applying new technologies and advanced systems in the field of restoration and training centered on the Opificio delle Pietre Dure (hard stones laboratory and museum) and based on a vast, expert system of training centers providing an avant-garde program at an international level;
- New communications, information, and tourist reception system which will be operational by the end of 1999;
- New operational models for museum systems and theatres for conserving and enhancing the historic and religious heritage—Luoghi della Fede (places of worship) and Lumina, Chiese di Toscana (Tuscan churches);
- Programs for intercultural talks and exchanges with many nations, to be developed in the year 2000; and
- New projects for contemporary art and culture in view of the third millennium.

The choices, experiences, and the instruments adopted by the Tuscan System for the enhancement and conservation of the cultural heritage as a means to qualify and develop the region, certainly make it an interesting case-study for training operators who are interested in themes related to organization and quality of actions to conserve and enhance cultural, environmental, and agricultural resources in the context of sustainable development policies.

For these reasons the Tuscan Regional Government, together with public and private operators in the Tuscan System, proposes to the World Bank a joint initiative to provide training and technical assistance, to plan and implement actions in favor of the cultural heritage and sustainable growth in developing countries.
On behalf of the Italian government, I would like to bid you all a very warm welcome and thank you for accepting the invitation of the Government of Italy and the World Bank to attend this important and extraordinary event.

The fact that such distinguished representatives of politics, the economy, the business world, and culture, from both the public and the private sectors, have gathered here today is seen as an acknowledgment of the role that Italy can and must play, by virtue of her enormous cultural heritage and experience with managing it, and what Italy has been doing to strengthen the linkage between culture and economic and social advancement. We are honored by this acknowledgement, but we are equally aware of the burden of responsibility this mission places on us.

The government also wishes to thank the regional, provincial, and municipal authorities. And I would like to greet and thank the President of the World Bank, James Wolfensohn, who jointly took the initiative with us to convene this conference, and the Director-General of UNESCO, Federico Mayor, who worked with us to draw up the agenda, represented today by Hernán Crespo-Toral, Assistant Director General.

I would like to extend a special word, particularly because of her sensitivity, to Hillary Clinton who will deliver the concluding address to this conference.

I am happy to welcome you here as an Italian, and as a native of Florence. Our meeting could not have hoped for a more appropriate venue than this city, and this region, one of the crossroads of our great history. A region in which extraordinary civilizations, tangibly rooted in the particular features of the localities, yet universal in scope, have emerged on different occasions and under various circumstances throughout history. Cultures of fragments, but fragments that are able to encompass tic world.

The international economy is becoming increasingly interdependent. Globalization unifies and divides, leveling down but bringing out new differences. It is redesigning the markets, causing the virtual disappearance of full employment in the advanced countries. At the same time it is opening up the frontiers allowing the world’s disinherited to migrate on a massive scale.

The collapse of vast entities—the last of which was the Soviet Empire—has been a liberation. Returning to national roots has, in itself, a renovating power. But we must be careful to prevent what we unfortunately see happening today; we must not allow it to lead to an absolute affirmation of new sovereignties, the rejection of any superior international authority, mindless clashes
between different cultures and ethnic groups, and the rejection of the admittedly limited and imperfect, moral and political authority of United Nations.

In today’s world, which is changing rapidly, culture lies at the very heart of growth and communication. It is a vital component of identity and participation. Culture and economics, sentiments and signs, practices and values can no longer be dissociated. Whole countries, individuals and groups are committed to combining the ability to participate in the world of technology and the markets, with the conservation of their own memory.

This is a particularly demanding—but at the same time fascinating—task. Fascinating because of the enormous and sometimes chaotic growth in cultural output, due to the emergence of so many new communicators, and recipients of what they have to communicate. And also because of the vastly improved opportunities for acquiring knowledge today.

It is now acknowledged that culture and development are interdependent, and we know this to be true from our own daily experience and practice. This has been one of the foundation stones of international strategy since the world Conference on Cultural Policies in Mexico City, which throughout the 90s was the backbone of human development promoted by the United Nations. The concept has been strongly reaffirmed at the international Conference on Cultural Policies for Development, held in Stockholm in 1998, convened by UNESCO which we all recognize as playing a guiding role in this sector.

This is the approach that underpins the work of the World Bank, in particular. At the September 1998 Washington conference, the World Bank repeated its pledge to take account of the cultural dimension in all its projects, particularly with reference to justice, social inclusion, poverty alleviation, and the need to involve the local people in safeguarding their own historical heritage.

I am quite sure that the Florence Conference will also make a contribution to defining sound parameters for a new strategy. Parameters that will take account of new factors: the fact that so many traditions are dying out; the need for individual independence; the newly emerging meeting between the world’s great cultures; the risk of new forms of fundamentalism; collective migration, which is increasing the number of multiethnic societies; the concentration of wealth and knowledge. And the impact of science and technology on new ways of thinking, and producing.

This is why our work must draw inspiration, in my opinion, front the following principles:

• **Interaction between culture and sustainable development**

Programs and projects must be incorporated into development policies. The facile idea that economic growth is the necessary and sufficient locomotive force to drive all social, psychological, and ethical advancement is now discredited. That approach ignores the problems of identity, community, solidarity, and culture. It is based on an paltry and abstract conception of development.

• **Safeguarding identity and cultural diversity**

Europe belongs to an area whose geometry is always changing: her internal and the external borders are being marked out and then erased as new nations and countries enter or exit. Some once defined Europe as the homeland of memory. And indeed, with such a rich legacy of traditions and an accumulation of memories, the weight of her past is such that Europe often comes to resemble the museum of the Western World.

But Europe must know how to look beyond her borders. Intercultural dialogue is an essential component part of sustainable development. The idea of development was, for a long time, blind to the wealth of non-European societies, which were viewed solely in economic, terms. Those cultures have too often been perceived only in terms of their extraneous features, with no understanding and realization of their profound insights, expertise and know-how built up across millennia, worldly wisdom and ethical values. One of the things that has bedeviled Europe in the past has been the too frequent tendency to equate European civilization with universal civilization. To want the world to be made in the image and likeness of Europe. If Europe wishes to stand as an example to the modern world, she must respect others, reach out and open up to others.

Europe is constantly changing because her peoples never tire of seeking an identity of their own. But we have not always managed to see that our own societies, particularly in Europe, contain not only deep-seated truths.
and virtues and also self-criticism that enables us to see our shortcomings, but also arbitrary ideas, unfounded myths, massive illusions, and fearful moments of blindness. Europe encompasses huge differences and diversities that have been displayed through art and science, but also through war and conquest, and in the coercion of empires and not only in peaceful co-existence.

We therefore have a twofold task before us: to save the extraordinary cultural diversity that has been created by the diaspora of humanity, and at the same time build up a common language. It is a twofold process of putting down roots in the past and projecting ourselves toward the future, involving in particular the emerging countries.

* Synergy between the public sector and the private sector
Safeguarding our heritage by investing in them the resources of private individuals and large corporations has been one of the most reassuring faces that have emerged in recent years. Public institutions are responsible for laying down the general framework for development and creating infrastructures. And the private sector must also find room to contribute. This is particularly visible in Italy, to protect that immense open-air museum which Italy is, and which André Malraux once defined as the “mysterious fatherland of all the arts”. This is yet another sign of the way individuals and civil society are independent of government, and of the strengthening of community bonds and the sharing by all citizens of one and the same history.

* The development of our partners' operational capacities
Enhancing the value of our heritage depends on educating and training people to work to conserve and restore it and to manage our cultural sites. It is a matter of presenting and safeguarding not only cultural and natural diversity that is being degraded by inexorable processes of standardization and destruction. We must protect the achievements of civilization without being threatened by a return to barbarity, and by the degradation of the environment.

Italy's policy is helping to raise the quality and quantity standards of the education system in several countries. The future belongs not only to those who will have raw materials at their disposal, or those who dominate manufacturing. It will also belong to all those who are able to develop the industry of science and of information in a free and competitive climate. Investment in education is the only way to guarantee the survival of a nation in the coming century. We must educate the young—which also means the young in the emerging countries—to familiarize themselves with and appreciate the value of their artistic heritage. This is often one of the pillars of the historical and cultural memory not only of those countries but of the whole world, too.

Italy has always held a prominent position in enhancing and bringing, out the value of cultural heritage in every part of the world. Obviously, our own history accounts for much of this sensitivity, where art and culture have a particular vocation. Italy is a country in which knowledge and innovation are interwoven. A country where it is not difficult to find people, like Christopher Columbus, who are ready to launch out on impossible adventures. Or to continue, like Galileo, believing in their own observations, in the face of the skepticism of the learned. Or to contemplate the perfection of the human body with the acute vision of Leonardo.

Perhaps it is also because of our close familiarity with art that our cooperation in overseas development, particularly in the latter half of the 80s, has aimed at combining economics, society, culture, and the rediscovery and preservation of the past. We have obviously had a particular interest in the civilizations lying around the Mediterranean. Because as Georges Duby has said, it is in the area of the Mediterranean that we find the roots of a culture that is common to so many of us. And also, in his words, “when we think of human perfection, the pride and the good fortune of being men, our eyes turn to the Mediterranean”.

This has been the thinking underlying so many of the restoration ventures we have carried through, particularly in the Middle East, such as our contribution to creating the new Egyptian museum in Cairo, and the new library in Alexandria. Then, jointly with our Egyptian partners, there is the work that will shortly begin on designing a model to map the risks to the site at Saqqara; not to mention the restoration schools set up in Slovenia or Jordan, and the university training programs in the Maghreb.

But we have looked further than our immediate horizons, to be able to play a part in establishing
the School of Restoration in the People’s Republic of China, in revitalizing the ancient city of Sana’a, and supporting vocational training programs in Ethiopia, Eritrea, Angola and Mozambique.

At the multilateral level I would like to mention the substantial financial contribution that Italy makes to UNESCO, second in volume only to Japan. And there has been an outstanding return on it, as evidenced from the work carried out on the Adiyel Palace in Fez or for the rehabilitation of two historic town centers at Mostar and Bethlehem, and lastly the Slave Route program, designed to provide an opportunity for intercultural dialogue between the coastal states of sub-Saharan Africa and Latin America.

Numerous projects are being financed through the World Bank and the Inter-American Development Bank: the plans for Sichuan and Chongqin. The mapping of sites in Tunisia and in Yemen. Bethlehem 2000. The old city center of Montevideo. The financing through the European Union of the Dar-es-Salaam Bagamoyo project, which is restoring access to the ancient capital.

We intend to increase the resources we allocate to developing cultural heritage as a non-renewable economic resource, not only with our traditional partners but in a broader context, which will make it possible to transfer knowledge and technologies from the Italian system as widely as possible, parallel to and in synergy with economic and social cooperation.

As an initial gesture we have decided to use our wealth of experience and our financial resources to contribute to a partnership agreement with the World Bank. A Working Group and a Trust Fund have been instituted to which Italy is contributing to $2.7 million for the year 2000. The Group has already drafted a preliminary program of projects and programs, which measure up to the expectations that are being roused by the beginning of the new millennium. And I would like to send out a special appeal to the international agencies to do likewise, particularly the financial institutions in that sector.

Italy’s action forms part of a clear-cut strategy, which I have just summarized. It is intended to set an example, like a workshop, a laboratory, and an incentive to others. Its aim is to help straddle the borders within which continents and civilizations are constrained, sometimes without any exit routes, like enclosed spaces. In order to build bridges, provide moorings, multiply links, exchange goods, between one area of civilization and another. So that, thanks to technology, the world, which is shrinking all the time, can at the same time manage to open up all its gates in every direction.

Modern society is essentially ambivalent. It combines freedom and discipline interwoven to an unprecedented degree. Economic, social, cultural and political activities hold the state and society together, making them increasingly mutually dependent. There is increasing integration on a worldwide scale, not only in transactions of goods, services, capital, manpower, and raw materials, but also decision-making centers, and material and symbolic communications. At the same time, the laws of the market are tending to compress cultures, and sometimes the obsession with identity is giving rise to fanatical and oppressive demands and claims for one’s own diversity.

But we have to protect the values of relativity, defend respect for differences, accept otherness as a vital resource. Our detached view shows us not only the benefits, but also the ecological and technological risks posed by in modern society, as a result of unbridled economic growth. This can create tensions and conflict between countries that have only just set out along the path of modernization and countries which began the same process a long time ago, and therefore are conscious not only of the benefits but also the hazards.

Time is no less important than space. In every age, under every latitude, at all times, everywhere, the past implacably imposes its imprint in the present. Under these conditions, with the conflict and the lack of mutual understanding that we are witnessing today, it is becoming ever more evidently necessary to gauge history not in terms of our own existences, which are here today and gone tomorrow, but in terms of the events of the past that exceed our measure as living beings. This, then, is the great task on which we are embarking, and which I am sure will become clearer to us when we reach the end of these exceptional days here in Florence.
I wish to express my personal gratitude to those addressing the conference. Their credentials are not only impressive, but the demands on their time make their presence here deeply appreciated. To the many organizations and individuals involved in the seminars and thematic working groups, to the Piaggio Foundation, Ferragamo, Mediocredito, to the Fortezza da Basso staff, the student volunteers who have worked with our Bank team in Florence, and to Francesco Bandarin, an early mentor of this effort, all of you have our profound gratitude.

Introduction
We meet here in Florence surrounded by the physical manifestations of a period in European history that laid the foundations of western civilization. The Renaissance was of course not just an artistic flourish, although its great artistic achievements remain one its enduring legacies. It was a complex creative process that transformed the feudal society of the Middle Ages into an urban, commercial economy and saw extraordinary progress in education, medicine, and astronomy as well as the arts and music. Behind the splendid buildings and extraordinary works of art, lay a complex web of social, political and economic endeavors. The modern banking system first took
But we are here to celebrate not only those who shaped these traditions, but the hopes and values of all people, including the poor. For the poor, culture may have more importance than for anyone else. I went to Central America and I visited the very poorest areas. I remember meeting with the Mayan elders in the highlands of Guatemala. The Mayan elders were telling me of their abilities several thousand years ago in astronomy, in language, in building the culture that is about to be lost. And around them, while they were telling this, were their kids through whom they were seeking to preserve this and to pass it on. I have to say to you that in terms of the poverty—which was very real in that area where we are operating—the issue of including Mayan culture and heritage in the programs was the first thing that the elders talked to me about and was deeply felt.

Voices of the Poor

As I pointed out last week at the Annual meetings of the World Bank and International Monetary Fund, poverty is much more than a matter of low income. This past year we launched a study called “Voices of the Poor” and listened to the hopes, aspirations, and realities of 60,000 men and women in 60 countries. From this it is clear that the poor seek a sense of well-being which is peace of mind: it is good health, care of the spirit, family and community, and happiness. It is choice and freedom as well as a steady source of income. Threats to their security included not only sheer physical survival, crime and violence, lack of justice or services due to corruption, but also the inability to negotiate, bargain and get paid—and the decline in social connectedness. Often they spoke of the shame of not being able to live up to their own values being worse than not having anything to eat, and the resulting social alienation leading to depression and suicide. The study found that the importance to the poor of maintaining social traditions, hospitality, and cultural identity cannot be overstated. “Without these simple human signs of solidarity” a poor woman in Ukraine said, “our lives would be unbearable.”

In this time of globalization, with all its advantages, the poor are the most vulnerable to having their traditions, relationships, and knowledge and skills ignored and devalued, and experiencing development with a great sense of trauma, loss, and social disconnectedness. Their culture—values, social relationships, ties of reciprocity, creative expression and knowledge—can be among their most potent assets, and among the most ignored and devastated by development programs. Or, if we take care, the poor can be proud of their identity and heritage and draw on these assets to enrich their lives.

The poor have been clear in what they most need to make a difference in their lives. Their own organizations, so they can negotiate with government, traders, and non-governmental organizations. Direct assistance through community-driven programs so they can shape their own futures. Local ownership of funds, so they can get results and stop corruption. President Mkapa of Tanzania put it well when he said, “Our people must be encouraged and facilitated to be owners of their development: not just beneficiaries, but doers of development.”

The Holistic View of Development

To support this, and coordinate our collective efforts to help, it becomes more important than ever to take a holistic view of development. What does that mean? It means that we need to work together to address the social and structural issues as thoughtfully as we do, the macroeconomic and financial issues. It means that local organization and empowerment, including an active civic culture, need to be understood as important drivers of sustainable development. It means that we need to put poverty reduction front and center, and to understand that reducing poverty is not just about increasing productivity and income, but just as fundamentally, about enabling people to have a broad sense of well-being and opportunities to express and make choices about their lives. And who can doubt that recognition and expression of cultural diversity is not fundamental to social well-being?

This is why I have made culture one of the core areas to be addressed in the Comprehensive Development Framework, at the same level of importance as say, education, water and sanitation, transport and communications infrastructure, and an effective justice system.

The overwhelming response to this conference is a clear indication that culture does indeed
count. We are here today because development—particularly alleviating poverty and enabling a strong civic culture—cannot be successful without understanding and responding to people's values, traditions, social relationships and preserving the heritage that has meaning for them. In a globalized world, where there is so much pressure for sameness, there is at once an overwhelming belief, in differentiation and preservation of culture, both for poor people and for rich people. It is also an issue of maintaining self-esteem. I do not know how I can prove that to you objectively, but I can tell you it is right. And I think that this sensitivity and this desire to reflect and respect the culture of others—we call it mainstreaming culture in development work—is what we are getting at.

The Bank's Approach to Culture

What is culture? For Wole Soyinka, the great Nigerian writer and Nobel laureate, speaking at our program of seminars in Washington DC last week, "culture is a matrix of infinite possibilities and choices. From within the same cultural matrix we can extract arguments and strategies for the degradation and ennoblement of our species, for its enslavement or liberation, for the suppression of its productive potential or its enchantment."

But however you define culture, it is increasingly clear that those of us working in the field of sustainable development ignore it at our peril.

The Bank's Interest in Culture is Two-fold

First, cultural considerations must be incorporated into all aspects of development if development is to be sustainable and effective. This has less to do with supporting culture for its own sake, and more to do with making sure projects reflect the lives and interests of the people they serve. Can you imagine teaching a child in the Sahel to read, with stories that picture green meadows dotted with sheep, gentle country lanes, and deep cool forests? How could he or she relate to it? This is why we are moving to have early literacy materials produced in local languages and based on experience that the children recognize from their daily life.

Second, there are development dimensions of culture. Physical and expressive culture is an undervalued resource in developing countries. It can earn income, through tourism, crafts and other cultural enterprises. And whether income-earning or not, support to cultural activities of the very poor can have a profound effect on their well-being, social organization, and social functioning.

Both aspects of culture are important to reducing poverty: one can make actions more effective and meaningful at no additional cost; the other can generate income which is desperately needed in many countries, energize poor communities, and build their self-esteem.

Reflecting Culture for Development Effectiveness and Sustainability

Let's talk about development effectiveness and the fundamental role of culture in it. Development and poverty alleviation without cultural sensitivity either fails or does not reach its full potential. I firmly believe that, and unfortunately, there are many examples to back it up. I'll just mention a few.

For example, a World Bank project in poor rural areas of Guatemala provided for health clinics to be staffed by government health workers. But the local people shunned the health clinics. They refused to visit them, and continued to go to their traditional healers. Then traditional healers were invited to work side by side with the government staff in the clinics. And the clinics finally settled into their work of attending to the health needs of the poorest. Over and over again, we have found that when we ignore the way of life of the poor, their values, relationships and culture, we cannot improve even their material condition.

In northeastern Pakistan, we funded a project to provide shelter to the poor, in the form of concrete houses. The people found them too cold in winter, too hot in summer, and abandoned them. However, the traditional way homes are structured is appropriate: two storied, cool downstairs in the summer, and warmed by the sun upstairs in the summer, they provide good ventilation and protection from the elements. If the design of the project allowed for real grassroots participatory planning and local level self-help in constructing the houses, rather than using standard designs drawn up in some office for large procurement contracts, the problem would never have arisen.

In Africa, literacy has stayed at same percentage level for the last 20 years. What was wrong? At least part of the problem is that reading takes place only in schools, from readers and textbooks.
Can you imagine teaching your kids to read if you had no books for them outside of school? To make things worse, the books have generally not been in their mother tongue, and the material has been drawn from Europe or North America. So the children haven’t been able to draw on their real world experience, or their mother tongue, to understand what they are reading.

The Bank has recently started to work with the Carnegie Foundation, the International Reading Association, the International Federation of Library Associations, the New York Public Library, and others, including African NGOs and governments to help design a program for grassroots library services. These libraries will stock books in vernacular languages, which can build on the rich song, poetic and story-telling traditions of Africa.

We are finding that development effectiveness and sustainability demand that development assistance be integral with the social strengths and traditions, and local institutions that are most crucial for the poor. The Bank’s work on participation and social analysis is beginning to shape projects to meet local level priorities, and work through institutions of the communities.

And, with an explicit focus on culture, there are new opportunities to respond to communities’ priorities, and to build projects on traditions and institutions that have local meaning. We are seeing this most pointedly in the evolution of community-based projects financed by the Bank. These projects involve loans to governments passed on to poor communities, usually as matching grants. In the past, the Bank would decide with government officials what the money could be used for—usually bridges, road repair, and other small infrastructure. Increasingly now, it’s being left up to the communities to decide what they want to use the money for, and being left up to them how they want to organize themselves to implement their project. In Turkey, we see a women’s rug weaving cooperative getting assistance under such a project. In northern Argentina, indigenous groups are using the funds to get themselves organized and decide on their own development priorities. And so on.

Culture as an Important Resource for Development

And now let us turn to the second interest we have in culture: as an important and undervalued resource to generate incomes and around which poor communities can organize and can establish enterprises—for tourism, and also textiles, crafts, and organic food production and marketing, music industries development, and so on.

We are indeed faced by a serious deterioration and loss of our built cultural heritage. Examples are the tombs in Egypt, historic urban areas in China, the old cities of Fez and Bangkok. Little investment has been made in maintaining or restoring these extraordinary monuments and urban areas. Why not? Because for too long the range of values provided by cultural artifacts has not been recognized—their role in job creation, social cohesion, tourism, and so on. Cultural preservation and renewal is not a luxury good, something to be done later, but is a productive sector.

Many dilapidated old parts of cities—not only in Europe and North America—are being restored, some classified as arts districts to draw in tourists, and transformed into bustling, productive places—places not just for tourism and business, but to live in. Ouro Preto in Brazil is a wonderful case, where civic action, including participation of school children, transformed a traffic congested and dingy city into an exquisite place, where you can walk through the open squares, and enjoy colorful market days, wonderful restaurants, and the beauty of the historic architecture.

And think of Lijiang in China, destroyed by earthquake. Once the rubble was cleared, did modern office blocks and skyscrapers spring up in its place? Meticulously, the community and craftsmen restored the urban fabric. They framed, carved, and brightly painted accurate reconstructions of the original buildings, in all the glory of their traditional architecture and way of life. Some improvements were made, but visually, the buildings are just as they were. The people of Lijiang, with their own efforts and in part, their own resources, were committed to restoring their way of life and their heritage, in its former atmosphere. So the first buildings they restored included the hospital of traditional medicine and the primary schools. You can see how the people savor the atmosphere and their walks along the canals—important parts of their urban heritage. And in the midst of all this beauty and sense of place, you can also see kids walking into a cyber cafe to send an electronic message or surf the net.
Heritage gives value. Part of our joint challenge is to analyze the local and national returns on investments which restore and draw value from cultural heritage—whether it is built or living cultural expression, such as indigenous music, theater, crafts.

The World Bank has supported over 40 projects worldwide, preserving historic urban tissue and architectural heritage, in order to underpin communities’ well-being and economic life. We recognize that culture is not a luxury—restoring symbolic sites can in fact be key to the healing process in post-conflict communities, and have high rates of return. Cultural sites provide opportunities for tourism—now the biggest industry world-wide—and can generate substantial revenues and employment.

But with all of these initiatives, we must keep the poor firmly in mind. Tourism is a double edged sword. The world is littered with tourism sites that have lost their cultural authenticity and alienated their host communities. Instead, we must develop a broadly owned framework for investment and tourism development. Private investors, public authorities, and local community groups need to work on several fronts:

- Forge an investment climate of policies, regulations, and public infrastructure that conserve heritage areas and tourist sites;
- Help local communities develop attractions and businesses; and
- Forge business linkages between investors and local producers and services.

There are also numerous opportunities to derive income in cultural enterprise. In southern Africa, there is interest in developing the local music industry. In most regions, high quality artisanal work has not yet disappeared, and can be developed into a high value cottage industry that particularly benefits the poor, and in many cases, women. The big issue will be to put policies and organizations in place that ensure that the poor cultural producers do get the incomes that are rightfully theirs. This means protecting their creative products so that the originators can derive royalties. It means helping organizations of poor craftsmen in their business development, so they can negotiate and fulfill contracts—either directly or through local service NGOs. And it also means mobilizing parts of the international market that are pro-poor, to enter into fair trade contracts for high quality products.

I hope that sustainable tourism development, and pro-poor cultural enterprises will be part of our common agenda.

Hopes for the Conference

This conference represents a critical stage in our collective thinking about the development challenge and the role of culture in it. There is a crying need to address culture as one of the great ignored assets which developing countries and poor communities can use to help turn their economies around. And at the same time, there is a need to provide a counterpoint to globalization through respect for cultural diversity and opportunity for creative expression.

Our question now is how, practically, do we go about it?

What do we hope to achieve with this conference?

I hope we will broaden and deepen our network of committed organizations and individuals, to explore how governments, international organizations, foundations, NGOs and, of course, the private sector can collaborate meaningfully. By combining our perspectives and complementary strengths, we can all be more effective.

With the collaboration of UNESCO, I hope we will move from ‘Let’s’ to ‘How’. To move forward—to engage co-workers in developing communities and within our own institutions—we have to address the practicalities. How do we finance investments in culture sustainability; what policies and mechanisms should be adopted? How do we mobilize the various actors? How do we evaluate our investments? How do we make policies regarding conservation? The agenda for this conference raises a battery of ‘how’ questions, and Wednesday’s working groups focus heavily on these matters. Three days from now, I hope we walk away alight with operational ideas.

The Challenge Ahead

For all of us, the challenge ahead, as we move to a new millennium, is to eliminate the scourge of poverty from the Earth, in ways that retain local identities, support pluralism, and create space for the values, expression and heritage that give people lives with meaning and dignity. I hope that over the next three days we will explore together how we can jointly support concrete programs with demonstrable results in the field.
PART TWO

PLENARY SESSIONS
Session I.

Culture and Sustainable Developments: Threats and Tensions

Session I provides an overall assessment of the following:
- Effects on culture of current market and development trends,
- Resources available to support culture in developing countries,
- State of “culture” in developing countries.

Hernán Crespo-Toral
Assistant Director General, UNESCO

A GLOBAL OVERVIEW OF THREATS AND TENSIONS

A moment où s’ouvre cette conférence sur le financement, les ressources et l’économie de la culture et, avant d’entrer dans le sujet de discussion de “La Culture et le Développement: Menaces et Tensions”. Je voudrais adresser mes plus vifs remerciements aux autorités italiennes qui ont contribué à la conception et à l’organisation de cette rencontre.

L’Italie, dont la culture et la créativité inépuisables ont fait l’adoration du monde au cours des siècles, est aussi un pays précurseur dans la conquête d’un destin, d’un avenir plus humain et juste pour le monde.

Dans ce même esprit, l’Italie a contribué étroitement avec l’UNESCO, depuis ses origines, à la recherche et à l’action dans le but de la construction d’une paix stable au moyen du développement de tous les peuples. L’œuvre des institutions italiennes, telles que l’Istituto Centrale di Restauro de Roma, a servi non seulement pour mener à bien une action de conservation dans les limites de l’Europe mais a servi à la formation de milliers de spécialistes dans le monde. A Rome siège aussi l’ICCROM partenaire prestigieux et indispensable à l’UNESCO en matière de préservation et de mise en valeur des biens culturels. Je dois aussi mettre en relief la coopération de l’Italie avec l’UNESCO dans d’autres aspects du domaine culturel à travers des accords, des fonds-en-dépôt, la coopération technique et la mise à disposition d’experts dans le domaine de la culture.

Permettez-moi de remercier nos hôtes de nous accueillir à Florence pour y traiter un sujet de transcendance essentielle à notre époque: Culture et Economie, sujets qui en principe paraîtraient antithétiques. Ce dialogue s’est tenu déjà dans cette ville, qui symbolise pour le monde entier la rencontre du génie artistique et intellectuel avec la vision et l’intelligence d’audacieux hommes d’entreprise, il y a déjà des siècles. La gloire de Florence, en effet, c’est d’avoir réuni en symbiose la puissance économique et politique des Médici avec la création esthétique et le développement de la pensée humaniste, mouvement d’une vigueur exceptionnelle qui a transformé non seulement l’Europe, mais un immense territoire au-delà des limites de la Méditerranée.

Florence fut unique. C’est de cet atelier intégral qui est née la cosmovision qui place l’Homme dans le centre de l’histoire. “On ne peut rien voir de plus admirable dans le monde que l’homme” écrit Pico de la Mirandola, en 1486.
Cinq siècles plus tard, cette philosophie devient plus actuelle que jamais. Il y a 40 ans, déjà, que s'entame un débat entre les parties qui prônent que la culture doit être au centre du développement pour que celui-ci comprenne toutes les facettes de la vie humaine et ceux qui croient qu'il faut seulement aboutir au bien-être matériel. Le rôle de l'UNESCO à cet égard est bien connu. Depuis les années 70, lorsque la culture se réduisait encore, pour certains, au pré-carré des arts et des lettres et que l'on croyait à l'incompatibilité entre passé et présent, entre tradition et modernité, entre culture et développement, l'UNESCO s'était déjà investie dans la réflexion qui a abouti à la Conférence Mondiale sur les Politiques Culturelles, qui a eu lieu au Mexique en 1982, où l'on a affirmé que l'Homme était l'acteur et le sujet du développement. L'UNESCO a mis en œuvre, à partir de 1988, la Décennie Mondiale du Développement Culturel, approuvée par les Nations Unies.

Vers le milieu de cette décennie on s'est rendu compte qu'il était nécessaire d'approfondir sur le sujet et l'on a créé la Commission Mondiale de Culture et Développement dont les travaux ont permis de porter un éclairage nouveau et de donner à ce sujet des réponses novatrices.

Nous sommes maintenant dans un carrefour de l'Histoire. Le développement technologique nous entraîne, malheureusement, vers un modèle déprédatoire qui menace les assises même de l'existence. Il faut donc trouver des moyens pour créer un modèle nouveau qui permette d'harmoniser la croissance équitable avec la conservation de la diversité naturelle et l'épanouissement de l'homme dans sa diversité culturelle. C'est pour cela que la Culture—définition de l'humain par excellence—doit être placée au centre du développement.

La terre est maintenant le Village Global dont nous parlons un prophète. Il faut agir ensemble et urgentement. Cette urgence est partagée par la Banque Mondiale. Elle s'interroge aussi sur ce sujet et, depuis quelques années, elle a enrichi sa pensée et nourri ces projets d'une nouvelle dimension.

Les deux institutions travaillent désormais sur des bases beaucoup plus solides et la convergence entre leurs approches et leurs actions respectives ne pourront être ni artificielle ni momentanée.

Nous sommes invités, ce matin, à nous interroger sur les menaces et tensions qui mettent en péril le destin humain. On croit encore qu'il est impossible qu'un équilibre puisse s'établir entre développement et bien-être de la personne et la permanence de la diversité culturelle. L'histoire récente nous dit combien d'échecs se sont produits parce que on ne prenait pas en compte que les êtres humains gardent comme son plus valable patrimoine leur manière d'être, leur tradition, leurs valeurs éthiques, leurs ténus tangible de leur passé, ces traits intangibles passés de génération en génération.

L'extraordinaire développement de la technologie nous amène à cultiver des valeurs comme la solidarité entre les êtres humains. Ces émerveillantes découvertes ont permis d'améliorer la qualité de la vie d'un immense secteur de la population du monde. Malheureusement, ils ont provoqué aussi, nous le savons, des immenses écarts entre riches et pauvres, différences qui ne cessent de s'accentuer. Dans les derniers rapports du Programme des Nations Unies pour le Développement on souligne l'immense différence de revenus perçus par la population: lorsque le 12% des gens les plus riches du monde perçoit le 82%, le 20% plus pauvre ne perçoit que le 1,2%. L'écart des revenus par habitant entre les ressortissants des pays plus riches et ceux des plus pauvres, a augmenté de 400% depuis les années 60, d'après le rapport de 1999 du programme.

Nous ne pouvons pas accepter que le développement implique nécessairement la perte de l'identité, l'adoption de modèles exogènes qui érodent non seulement les valeurs morales et éthiques, mais les expressions les plus authentiques et spécifiques de la culture qui concerne non seulement les valeurs et coutumes, mais aussi les expressions esthétiques.

Face à cette frappante réalité on constate que le voue de la communauté international pour aider le développement des pays les plus pauvres reste ponctuelles et insuffisantes. On constate, avec consternation, que les pays plus avancés non seulement les efforts nécessaires et ils n'ont pas honorés leurs promesses. Le pourcentage d'aide qu'ils s'étaient fixés n'a jamais été atteint. Heureusement récemment des personnalités de taille mondial propose l'abolition de la dette des pays les plus pauvres, comme un geste de solidarité, lors de début du nouveau millénaire.

Par ailleurs, les grands problèmes produits par l'exploitation irrationnelle de la nature, les attentats contre l'environnement qui ont été les sujets de grandes conférences, comme celle de Rio de 1992, n'ont pas abouti à des mesures de correc-
tions de la part des pays les plus développés. Il faut donc, réfléchir à la lumière de ce qui nous propose la vision intégrale de la culture et envisager d’immédiat les politiques et les actions capables de mettre fin à cette course vers l’épuisement de ressources non renouvelables de la terre. Notre planète requiert d’une vision intégrale. Rappelons nous l’étroite liaison et dépendances des écosystèmes. Pourtant on doit agir en coordination entre pays, régions, et continents.

Seulement en tenant compte de tous ces paramètres nous réussirons au développement durable et à une répartition équitable des biens de la terre et de ceux, produit par l’homme.

L’humanité dispose de moyens extraordinaires qui utilisés convenablement devraient permettre d’aboutir aux fins énoncées. Science, technologie, information, communication, ensemble guidées par l’éthique et l’équité seront les piliers qui permettront de réussir un développement plus humain.

Le actions de la Banque Mondiale dans ces domaines sont essentielles. Seul l’éthique et la morale dans le champ de l’économie peuvent permettre aux pays de trouver les voies pour leur propre développement.

This will be one of the major challenges of the coming century. It is one that can be addressed only through new connections and new alliances. It is with this long-term objective in view that UNESCO and the Government of Italy have reflected together on the issues that will be taken up in the coming days and have jointly drafted a paper entitled, “Towards New Strategies for Culture in Sustainable Development”. I mention the text simply to stress how much we hope that it can generate a process of renewed reflection and alliance building here in Florence. Together we need to think through the principles and priorities that must be followed so as to ensure the place of culture in sustainable development, as well as imagine viable new initiatives and mechanisms that we might focus upon and pool our resources. The purpose of our paper is thus essentially to launch a process at this conference, which is after all the first occasion on which decision- and policy-makers in the economic and financial domains are meeting to discuss financial issues with leaders and activists in cultural fields. Let us seize this window of opportunity to build bridges between the two worlds.

Un des sujets les plus actuels qui préoccupe la communauté internationale, c’est celui des échanges de biens et de produits culturels. Déjà dans le plan d’action de la conférence intergouvernementale de Stockholm de 1998, on énonçait que ces biens “ne doivent pas être traités comme des marchandises comme les autres”.

A la suite des résolutions de la conférence de Stockholm, l’UNESCO a pris l’initiative, en collaboration avec les autorités canadiennes et françaises, d’organiser un colloque international pour approfondir l’étude de ce sujet.

Le colloque est arrivé à des conclusions qui permettront aux pays de prendre des positions lors de la réunion de l’organisation mondiale du commerce qui aura lieu dans un proche avenir.

D’autre part, le directeur général de l’UNESCO a pris contact avec le nouveau directeur de l’OMC, pour lui proposer la mise en place d’un groupe de travail conjoint dont le but serait de suivre et de faciliter les travaux.

Il faut encore insister sur le fait que le développement ne pourra être soutenable si l’on ne tient pas compte de la créativité et diversité de l’esprit de l’homme.
B.P. Singh  
Executive Director, The World Bank

A REGIONAL PERSPECTIVE OF THREATS AND TENSIONS

It is only appropriate that we are meeting in this historic city of Florence in a conference on such a vital subject of the relevance and usefulness of culture in sustainable development. In many ways Florence is a living city of art and these works of art inspire people, help them to see beauty in nature, and recognize beauty in themselves and in all human endeavors. This itself contributes significantly, towards awakening and deepening of spiritual consciousness, compassion and devotion.

We are soon going to participate in as well as witness a “moment” in human history—the advent of a new millennium. It is time to reflect. It is time to act as well.

The 20th century has been the most disastrous in human history in social and political terms—nearly 200 million men and women have died in military or political conflicts. Three great struggles, World Wars I and II and the Cold War, spread over more than three-quarters of the century-made cannon fodder out of human beings. Many other battlefields, from anti-colonial movements to civil strife, contributed to this carnage. A large number of men, women and children died in preventable famines and epidemics. Many brutalities such as female genital mutilation have been widespread and lack of compassion in dealing with human beings and natural objects have been a distinctive feature of the present century.

When we look at the development profile of several countries of the world of this century, we find that we have rarely been guided by imperatives of culture. We set up industrial units without effluent plants and allowed the waste of these units to directly flow into the rivers. Similarly, the urban centers and small manufacturing units have been allowed to freely pass on sewage and other wastes to wetlands and rivers. As a result, several of our rivers and wetlands which provide life systems to people living on its banks, have been heavily polluted. Even most sacred of our rivers, the Ganga which provides life support system to millions of Indians and plays great spiritual roles in their lives, have been polluted. We have built up urban centers and industrial units disregarding our cultural heritage, wetlands, and forests.

There are several contemporary pressures of development which often hurt the socio-cultural sensibilities of the people, including the following:

- Increased tourist traffic and the unreasonable demands made in the name of tourism;
- Rapid urbanization which has made most town planning efforts irrelevant and in many cases has irreversibly altered the ambience of many cultural and historical sites;
- Population which is bursting at the seams and with many people living in poverty;
- Tendency among some religious protagonists to exploit monuments belonging to their religion and its campus for commercial ends; and
- Increasing practice in consumerist society to keep art objects in their living rooms as status symbols encouraging its theft and smuggling.

All these pressures taken in totality threaten to damage our tangible heritage irreparably.

In my view protection of cultural property has two interrelated aspects: the first includes historical sites (buildings, temples, and other places of worship, works of art, and other such physical aspects of creative expression) and the second relates to human skills and attitudes which constitute the driving point in an individual toward the creation of works of glory and excellence. It must also be appreciated that these skills and attitudes are not static, nor can cultural manifestations conform to being replicas of the past expressions. Cultural manifestations are undergoing transformation in terms of revolution in communication, technology, and the impact that the wider world makes on creative minds. We have to address these issues in terms of strengthening of institutions, as well as in creation of an environment that appreciates cultural objects and talents.

Rabindranath Tagore in his paper, “A Vision of Indian History”, wrote:

I love India, not because I cultivate the idolatry of geography, not because I have had the chance to be born in her soil, but because she has saved through tumultuous ages the living words that have issued from the illuminated consciousness of her great sons.

This was achieved because of oral tradition wherein the teachers passed to their students the texts which they themselves had received from
their masters. The guru-shishya parampara (teacher-student tradition) was a significant institution that covered the entire gamut of creative activity, namely religious discourse, history, dance, drama, poetry, painting, and sculpture. In this process, the learned mind renewed the sacred texts in the light of new social, religious, and economic realities as the guru was required to interpret the scriptures to find answers to emerging problems. The development of writing manuscripts, followed by the technology of printing books and journals, and today the storage of classics in computer software have ensured that we do not lose anything of the past. However, the renewal that occurred through dialogue in the old tradition is not a part of computer software.

Meanwhile several fundamentalists are quoting scriptures to keep the women and poor down and make bids to undermine the rule of law in some parts of the world. What is necessary is to free a thought from specificity of its context and to help what is imminent in that thought to emerge in the new context in order that it meets the social intellectual requirements of the present. This conference is a dialogue for both renewal and commitment.

The interrelationship between culture and development was not fully appreciated by the planners in most of the developed countries. The need to fight vigorously against illiteracy and communalism and also to work simultaneously toward providing opportunities for employment generation, was not adequately emphasized. And yet, as this century comes to a close, and a new millennium begins, we clearly see two important developments.

The first relates to shift in values in respect of determinants of status of the country. In the post cold war era world, the market has displaced military strength as the primary index of power. And it is my contention that culture has emerged as the third most important force. The emergence of culture as an important variable along with market and military in determining the position of the country within the comity of the nations in determining the position of the country which has to be taken note of both by planners and doers of development.

The other significant development is the emergence of three powerful lights which if properly nurtured could make the coming century an era of peace and progress in the world. These three lights are those of Democracy, Ecology, and Culture.

Spread of democracy has meant that in the future local, regional, and global issues will be decided through dialogue and debate. The triumph of democracy has also aroused hope that the next century might be less destructive than the present one. The environmental movement has already brought into focus various shortcomings in our development programs. The imperatives of relating culture to development is being increasingly recognized. Among the factors which have contributed to the continuity and richness of our culture, the most important one is our plural character and its creative diversity in the realm of ideas, languages, forms of worship, architecture, agricultural practices, dress, handicrafts, medicine, industry, science, and instruments of production and consumption.

In 1977, I wrote a paper on culture and administration, wherein I had held that culture is power and had defined culture as follows:

As expressed through language and art, philosophy and religion, education and science, films and newspapers, radio and television, social habits and customs, political institutions and economic organizations, culture heightens the skills of an individual and a society in its totality in all walks of life because it is by culture that a man or a society gets an insight into the whole. Culture includes not only art, music, dance, and drama, but a whole way of life. In part, culture is sanskriti, or a process of refinement. It is in this broader sense that culture has to be viewed.

A number of scholars and civil servants had then told me that I had misused the word culture. I still hold to my opinion because for me the term culture, in its most comprehensive sense, refers to the diverse creative activities of a people—to literature, to the visual and performing arts, and to various forms of artistic self expression by the individual (specialist or lay) or by communities. These activities give a sense of purpose to human existence and, at the same time, provide the reflective poise and spiritual energy so essential to the maturing of a “good society”. I also hold the view that when an artist is involved in reflective activities, even in the solitude of his home or in the workplace, he is not alone. His mind is activated by what happens around him and his creativity has an element of that. When his work is shared with society, it influences
events in the wider community outside his home or workplace.

Art has essentially been an inherent human technology for expressing consciousness in matter. Artists have created objects, rituals, and environments not only for subjective expression, but also as homage to the creator, to ensure harmony with nature and to promote the well-being of nature itself. In this thought process, trees are sacred, earth is sacred, water is sacred, and above all, the environment is sacred. The role of an artist therefore is to create a sense of reverence and beauty among the people.

Culture is a dynamic variable, enormously potent and influential. When it is articulated in a manner aimed at achieving an objective, it releases the dormant energies of a community. It is thus comparable to energy and power, and has a similar place vis-à-vis development projects.

Culture also provides an objective to development. It makes it clear that there is a close relationship between spiritual, cultural, social, and economic problems of a community. The new development paradigm must therefore be holistic and consistent with the spiritual traditions of the people. The belief systems of animists as well as believers in various religious faiths hold natural objects as sacred. Consequently, the culture and lifestyles that evolved did not exploit the natural resources without concern for their sustainability.

The development experience has given us two critical lessons. The first relates to the fact that while economic growth is essential, it is not sufficient either for poverty reduction or sustainable development. The other experience tells us that while we cannot manage our affairs without technology, technology is not in a position to solve all our problems. These two lessons demand that we have to make vast changes in our consciousness and behavioral patterns and the guidance in this behalf would come from culture.

How do we relate culture to development programs? Many things have been said and written in this behalf. I would like to offer three ideas for consideration.

The first relates to culture awareness. Involvement of young people in this task is a pre-requisite as much as enhancement of their knowledge of things around them. My interactions with children in different places have revealed that on account of textbooks and also electronic media information, they know more about creative works of national and global value and very little about their own village or town unless they live in New York or Washington D.C., New Delhi, or Cairo. What is needed is to make them aware of their own local environment in terms of the memory of their society, natural habitats including wetlands and works of people who have contributed significantly to their own villages and cities. The works of local people—particularly peasants and artisans, poets and painters, teachers and doctors whose contributions are valuable to lead a good life in terms of production processes, healthcare, upbringing of children and values of family life—need to be disseminated. In Sanskrit we call it Lok Vidya or people’s knowledge and in this knowledge lies the potent and not yet fully utilized sources of strength of the people to help solve the basic problems of the society and to provide a new meaning to our lives. But it needs to be imbibed and its capabilities aroused.

The sharpening of cultural consciousness would help serve a greater role for musicians, painters, poets and other creative persons in our development programs. In the world of tomorrow men and women of culture should have a greater voice in our affairs and a painter or a poet with social personality would be as important as a politician or a soccer player.

The second aspect relates to good governance. In my perception, no sustainable development is possible without good governance. In a resource starved society, contractors and middlemen in various parts of the world have come to control the resources with the help of politicians and civil servants and use it in a manner which gives them maximum benefit irrespective of considerations of social costs.

The major threat to monuments and ancient urban centers emanate from the rapid growth in population, and growing urbanization and industrialization. As is well known, several of the world’s well-known monuments were intended as homage to the Creator. In the very nature of things a massive and/or uncontrolled entry of tourists would go against the sacredness of these monuments. Yet, tourism is necessary, both for economic development and also for sharing culture and values among the people. A sensitive tourism policy with emphasis upon proper upkeep of monuments would be necessary. A large number of temples, mosques, churches, syna-
gogues and stupas are being encroached upon in the name of religion for commercial gain. The de-
struction of monuments for commercial gain is
not a new phenomenon. The famous Taj Mahal
of India was on the point of being destroyed for
the value of its marbles and sent to the United
Kingdom by the then Governor General of India,
exactly 100 years ago. While such vandalism has
stopped all over the world, the smuggling of art
objects still persists. The intervention by interna-
tional organizations and strict enforcement of
laws by national governments are an absolute
must to stop this illegal trade.

In most of the developing countries, the man-
gerial capabilities of various organizations en-
trusted with the responsibility of services to
heritage sites, museums and art centers, libraries
and archives are suffering for want of organized
national-level services. Global organizations like
the World Bank and UNESCO should come for-
ward to assist the national governments for set-
ing up these services at the national level and for
imparting training to its members. This will im-
prove the quality of management of cultural or-
ganizations and availability of a team that is
enthusiastic, competent, and innovative would
ensure better cooperation from creative persons
as well as the civil society.

The third aspect relates to people’s participa-
tion. There are certain development programs
which cannot be fully achieved unless it becomes
a cultural challenge. In several developing coun-
tries including India, it is my belief that if re-
moval of illiteracy becomes a cultural challenge
of the civil society including that of the faith or-
ganizations and NGOs, the objective could be at-
tained at a much faster pace.

Similarly, people’s participation would be
necessary in conservation of our heritage. The
scale, diversity, and historical depth of our heri-
tage in terms of monuments, forms of art and
music, dance and drama, as well as manuscripts
require financial support of a massive nature and
care from people. Unfortunately, the govern-
ments in several countries allocate very meager
resources to cultural activities in their budget.
Even this small amount faces drastic cuts when-
ever austerity measures are launched by the gov-
ernments to mop up their resources or to tide
over a financial crisis. Fortunately in many coun-
tries, both industrialized and developing, new
funding mechanisms are being devised, based on
the dual recognition that cultural activities can
and should be rationally managed and adminis-
tered and that new alliance must be formed be-
tween public and private sector, between the
state and civil society.

In India, we felt the need to involve civil so-
ciety in the task of conservation. It is in this back-
ground that I had the privilege of conceptualizing
and setting up the National Culture Fund in my
country. The underlying principle for the Fund
was that it would be possible for a donor to iden-
tify a project for funding and also an agency for
the execution of the project. The authorities of the
Fund will respect the choice of the donor unless
there are valid reasons not to do so. The Fund it-
self will have on its Standing Committee, a major-
ity of nonofficial members drawn from different
walks of life in the realm of culture, the corpo-
rate sector, private foundations, and the nongovern-
mental organizations. The work of the Fund
would relate to a specific site or to a specific
project with donor participation if the donor is so
willing. This will help open areas of cooperation
and participation of the local community in the
decision-making process, as well as in implemen-
tation of programs. Such an approach will also
help not merely in the utilization of scientific
skills and technical knowledge, but will combine
this with local knowledge and traditions which
form an integral part of India’s intellectual leg-
acy. This is essential as the efforts of protec-
tion can only be ensured within a social order that is
profoundly aware and proud of its individual
and collective responsibility.

It is not possible, in our development para-
digm, to support the concept of art standing
apart from social life. Art has to be an active pro-
cess in the movement of history. An artist,
whether writer, poet, painter, sculptor or film-
maker, invariably sees his/her work as a dia-
logue with the wider issues of life. Poets and
scholars have repeatedly said that the greatness
of art cannot be determined by form alone. It can
be judged largely in the light of its alliance with
great ends, with the depth of its note of revolt,
with the extent of hope in its. Thus, there are cer-
tain interventions which we need from the world
of culture to allow our democracy and develop-
ment processes to continue and grow. Such inter-
ventions are possible through layers of creative
mediations where myth, history, memory, and
contemporary experience merge to create aes-
thetic statements on unity and democracy.
There is widespread concern about our development profile and future of civilization among perceptive people. Vaclav Havel says that just as the benefits of civilization are global today, so are all the dangers of that civilization, be they economic, social, demographic, ecological, or any other. This completely new circumstance makes new demands on the human spirit. It demands a completely new type of responsibility. While giving the keynote address last year on Sustaining Culture and Creative Expression in Development, Elie Wiesel had categorically stated that the thirst for culture is as strong as the hunger for bread. In several conversations that I have been privileged to have with the Dalai Lama, he has always emphasized that while several mistakes that we have made in our developmental field may not be fully reversed, we must use the present better and plan appropriately for the future and toward these goals our guidance should come from our cultural values of truthfulness, non-violence, and compassion. He would speak about the way in which Gautama Buddha and more recently Mahatma Gandhi have shown the way, and that we must strive with earnestness in that behalf.

The moot question is posed by the Polish poet Wislawa Szymborska in her poem, “The Century’s Decline”:

How should we live? someone asked me in a letter

I had meant to ask him
the same question.
Again, and as ever,
as may be seen above.
the most pressing questions
are native ones.

A comprehensive answer to the question which is the basic theme of development — How should we live? — lies in the realm of culture.

Abdelbaki Hermassi
Minister of Culture, Tunisia

THREATS TO CULTURE IN DEVELOPMENT: A NATIONAL PERSPECTIVE

It is a great honor and pleasure for me to take part in this conference on culture held in the prestigious city of Florence. City of Machiavelli, the father of modern political thought; and center of Renaissance art and culture through which the Italian model of secular patronage penetrated Europe; helped in this by its banking and financial circles since the 11th century, Florence symbolizes the politics, culture, and economy with which we are concerned here.

Holding a conference on culture today, at a time when the world is going through decisive and even serious economic and financial changes shows that the leadership of the World Bank sees culture as important and wishes to work hand-in-hand with UNESCO, with the precious collaboration of Italy, to hold a discussion at international level on culture and sustainable development.

To talk today about how development threatens culture is important, but it is not really an unprecedented proposition. Nobody can be unaware that from the beginning industrialism and capitalism were associated with what Max Webber already called the disenchantment of the world.

Development later on in the middle of this century with decolonization was recognized and linked to economic growth with an obvious neglect of social and cultural factors. One also has to recognize that from the 1970s on, through the impetus of the United Nations Development Program, more attention started being given to cultural and social features. Thus, instead of a model imposed from the outside, a new idea arose, according to which development should be recognized as an indigenous process, encouraged by the setting up of political, financial, and legal elements that would be favorable to economic initiatives.

But the enforcing of structural adjustment policies since the 1980s witnessed a return to the primacy of economics once again. This had obviously been beneficial, with regard to the social and the economic aspect, but had most harmful effect regarding social costs.

Today, globalization and the quickening pace of change mean that dangers are more sharply
perceived. Things have worsened to the extent that it has become difficult to equalize development and the protection of culture and identity. There is a noticeable, growing imbalance between the developing and the industrialized world.

We are more aware today under the leveling effect of globalization, that societies—especially new societies—are losing a set of traditions, usages, crafts, and centuries-old skills and know-how. This is actually the fabric of society as we know it. This makes our societies vulnerable, vis-à-vis advanced countries. The accumulation of advantages, including advanced countries’ control of new communication and broadcasting technologies, is certain to deepen the gap between societies and to engender resentment and polarization.

We believe that resentment and polarization can be thwarted by introducing a strategy on an international-scale which takes certain facts into consideration: That development makes sense in a cultural context that affects it and contributes to its shape; and that human networks are crucial for exchanging knowledge and culture. Development can only be sustained autonomously at both local and planetary scale through partnership cooperation that capitalizes on the culture of each human community to create a vector of multiculturalism in which diversity is respected. There should be a support strategy for the developing countries in order to allow them to protect and make the most of their culture if it is to become a stimulus for development.

With regard to Tunisia, we have not been totally unprepared for the changes that have taken place in the world around us. We have not been influenced by the ebb and flow of these changes according to simply exogenous factors. Tunisia benefits from its leadership, a leadership that is gifted with wisdom and imagination to realize that culture is of the essence. Tunisia holds culture dearly and places it at the heart of its development strategy.

The societal project—instituted in my country since the political changes of November 7, 1987—starts from the theory that culture is a basic element in every person’s life and that development possesses a vital cultural dimension. Culture is, therefore, a decisive part in every human enterprise and in every society. Integrating our heritage, in all its various aspects, must be part of the economic and social development strategy.

Heritage, seen as essential to the Tunisian character, is a factor in sustainable development and a vital part of humanity’s cultural heritage. Several measures have been adopted to protect, utilize, and conserve historical heritage, including the 1994 adoption of a code of archeological and historical heritage and traditional arts, and the 1988 creation of the Agency for Valorizing Heritage and Promoting Culture. This agency was established to recycle all revenues coming from tourism and return them into world heritage and patrimony, whether into research or conservation.

A national plan to boost cultural tourism has been introduced. Tunisia considers tourism important in strengthening intercultural dialogue between people and contributing to conservation activity and cultural and natural heritage. Additionally, the investment code holds out various possibilities, giving cultural project pride of place. As for creativity and the cultural industries, many steps have been taken. A policy of supporting and encouraging the production and use of intellectual property has been started. A legislative framework now protects creators, and moral and intellectual rights. At institutional level, a Tunisian body for copyright protection was set up in 1996 to support steps taken to protect the rights of creation and entitlement.

Tunisia is striving to boost classic cooperation and elevated cooperation to the ranks of partnership. Now, Tunisia will negotiate with its traditional partners in terms of mixed projects, where both sides commit themselves by operators, capital, and technology. This type of partnership becomes the basis for integral development that is co-development.

Tunisia, finally, is linked to a great many friendly, sister countries by intense international cooperation. This is particularly so with those countries having historic ties with Tunisia. Through cooperation with Italy, for example, we exchange a model partnership and choices that has led to triangular cooperation with the World Bank. We hail the new approach for utilizing computerized cultural maps in the Ministry of Culture as a means to deal with and negotiate with developers. We also hail the magnificent future conservation project for the Roman aqueducts of Zaghouan. Tunisia can boast of being among the forerunners of this approach. And I must say how greatly I hold in esteem the cultural cooperation in which Tunisia has been engaged with Italy and
the pioneering role Italy is playing in this field at international level.

I cannot end without expressing my warmest thanks and deepest gratitude to the Italian government and to the World Bank for their kind invitation; indeed, another illustration of the excellent historic tie and profound friendship that binds them and Tunisia together.
Session II.

The Role of Culture in Sustainable Development

Session II sets the analytical and theoretical framework, by addressing issues relating to the following:

• Culture from an economic, anthropological, and social perspective;
• Extent to which cultural values relate to economic development and contribute to the wealth of nations;
• Contribution of national and local cultural industries to employment generation and social cohesion in developing countries;
• Promotion of “progressive” cultural values.

Session II was moderated by Faisal Al-Rfou’h, Minister of Culture, Jordan. His comments can be found in Appendix A.

David S. Landes
Professor Emeritus, Harvard University
United States

WHY SOME ARE SO RICH AND OTHERS SO POOR: THE ROLE OF CULTURE

Thank you for inviting me to speak here. I can tell you what a privilege it is, but in all fairness to you, I have to warn you that probably most of you will not be interested in what I have to say. The present collaboration here of UNESCO with the World Bank tells us at once that culture as used here has a wider concept that includes its higher manifestations. And we have a definition that was read by Mr. Wolfensohn in the pamphlet, “Culture in Sustainable Development,” in which it is indicated that culture includes arts, language, literature, popular practices, etc.

My working definition of culture is different. I am concerned with material performance, the production and distribution of measurable wealth and well-being in a given society. And for this purpose, I define culture as the sum and the interaction of the values and attitudes of a group—thus the aspirations and ambitions of the members of the group, the relations between the members, between old and young people, between the genders, between rich and poor, the religious beliefs and relations between different faiths, the attitudes toward work and play, the value placed on different kinds of activities. Because these things, as we will see, have a lot to do with how rich and poor a society is.

So, I am not going to touch on culture in the artistic and intellectual sense. Such culture can serve as treasure, consolation, diversion, self-glorification, a source of salable goods, including tourism. But its implications for development and wealth are usually secondary. I say usually because one knows of societies in which the expenditure on construction of monuments, I think, particularly on Egypt, absorbs a large share of the resources of society, including labor that was linked to the dependency on slavery and forced labor. This is the kind of thing that can kill people and animals. So I want to look at this other kind of culture what I might call “low culture.” We all share it.

I want to start a thousand years ago because the big changes that have taken place in the world and its material condition date back to the millennium a thousand years ago. At that time, most people were engaged in supplying food, cultivating the land, taking care of livestock, fishing, whatever. There were a few who were engaged in craft, there was some trade; but if you
wanted to become rich, you took, you grabbed, you extracted it from the mass of the population. This was the ruling elite and there was more to the taking than to the making.

In this world, there were different levels of performance, there were centers of activity, and more backward centers. Maybe the richest and most active center was China, a highly inventive society with a large population and large volume of trade, division of labor, and the like. Indeed, there was another center, the Middle East. Europe, by way of contrast, was essentially a frontier society. It had boundaries that opened on forests. It was a late developer and because of these forests, it was not until the technology of iron and steel had advanced somewhat that it was easy to clear the hardwood trees of Europe. Africa was far behind, a victim of pestiferous climate; the kind of climate made labor distinctly disagreeable that led to extensive recourse to slavery or the abusive exploitation of women by men. That’s the first point I want to make.

The second point. Where does Europe come from and how does it make such extraordinary gains? Because it’s Europe that leads the way to a new kind of world. I have to tell you that not everybody agrees with that, and that’s a very politically incorrect thing to say, but it happens to be the truth. Europe was the beneficiary, ironically, of its political fragmentation in the competition that resulted.

When I was a student, I was taught to weep for the loss of ancient Rome, but that was the best thing that ever happened to Europe. The fact that it was a competitive system of kingdoms, duchies, and different forms of states; and it was relatively important to treat people better because if they were not treated better, they would go away and go to some other place. And this tendency was reinforced by initiatives from below, the formation of autonomous communes with great emphasis on personal liberty. This was the kind of competition that encouraged new ways of doing things and making things. All of these were reinforced by a relative scarcity of labor that is characteristic of frontier societies and reinforced by a great appetite which we may call simple greed. The Europeans were very greedy and they never had enough.

Along with these, the most particular institution that I would stress here was the precocious recognition of property rights. This may be different from the rest of the world, and in this particular instance different from Asia, where the rule is you could take what you wanted. In Europe, it is the rule that not only did he have to give back but he suffered for the taking.

Now these distinctions, third point that I would make, between Europe and Asia. Let’s take China—this great center, this advanced center of civilization, of invention, of wealth. Well, something happened in China. Some people would date it from the Ming Dynasty, we are talking 16th or 17th century. Some people would take it earlier, the Wang Dynasty, 13th century. If you ask the Japanese, they blamed the Mongol rulers of China whom they feel wanted to weaken China so as to protect their own brothers on the Asian step. But I’ve never heard that before outside Japan. Whatever the reason, what happened was that the great series of Chinese inventions seemed to stop. We are talking about major things, may be the most spectacular was the invention of printing. But even beyond that, the wheelbarrow or porcelain or paper. All of these things go back to China.

Europe, by comparison, was a learner. It is terribly important to be ready to learn. And this learning combined with the growing interest in invention, to make the Europeans in increasing numbers see the world as one in which they were getting better and better off. And that, I have to tell you, was a revolutionary notion because everybody traditionally, including in Europe, used to think back as some kind of lost Golden Age. And now for the first time, the succession of new knowledge and new ways of doing things made Europeans in increasing number think that they were smarter than their ancestors, their predecessors, and that their descendants would be smarter than they.

I can’t talk about the European inventions of this period. Some of them came from China, but the Europeans improved them. I think of gunpowder. Europeans invented for themselves, which is easy to overlook. The eyeglasses. Just about everybody in this room uses some kind of visual correction; it is a biological thing, it comes around the age of 40. It doesn’t matter where you come from, how rich you are, what color you are, you all need help with your seeing from about 40 on. The Europeans invented eyeglasses. At the beginning of the 13th century, we have eyewitnesses to the invention. I won’t go into all the details, but
this was extraordinarily important simply because it more than doubled the effective working life of anyone doing close work—reading, writing, the use of instruments. It is not an accident that in subsequent decades and centuries, the Europeans made use of instruments to an extent found nowhere else in the world.

This sort of thing has given rise to some unhappiness among, what I may call, China lovers. There are people, not so much in China but outside in the West, who feel that China was really way ahead. Believe me, it's all nonsense. The Europeans started very early, already in the 11th century. Glasses appeared in the early 13th century. Navigation, which rested on astronomical data that the Europeans got from the Middle East but improved on, came about in the 13th and 14th centuries.

We are talking about a very early advance that put Europe ahead. So that when the world opened up around 1500 and you have Christopher Columbus crossing the Atlantic, and Vasco da Gama and other Portuguese navigators going around Africa, and eventually the Spanish crossing the Pacific, it's all a European story.

Contrast the Chinese in the first half of the 15th century. They sent fantastic fleets around the Indian Ocean and into the Pacific, with ships bigger than anything the Europeans could imagine, but they never got into the Atlantic. The first Chinese ship to go around the Cape of Good Hope and into the Atlantic and go up to Europe comes in 1851 with the British great expedition of that year, 1851. The Europeans had been going into China seas for 350 years. So, that was the third point, the difference between Europe and Asia.

I can make similar comments about Europe and India, Europe and the Middle East. Europe learns from all of these. The important thing is that when these Asian giants had a chance to learn from Europe, they didn't learn, they didn't emulate. The Chinese said it quite explicitly, "you have nothing to give to us. We have everything you have and more. If you invented it, we invented it earlier." So, when you have this attitude, you just stand still. But you lose relatively.

The fourth point, Europe is not a homogenous unit. There is in Europe a distinction between south and north. One of the speakers this morning made much about how important the Mediterranean was. Well, the Mediterranean is very important, especially in French historical tradition. Yes, the Mediterranean is ahead of northern Europe. But about the 16th century with the Protestant Reformation, the center of gravity of European knowledge, innovation, research, and enterprise moves north of the Alps in the Pyrenees into northern Europe. Part of this is due to the Protestant Reformation. I don't have time to talk about it. But, let me say that the attempt to minimize this significance doesn't impress me in the slightest. Why? Because it turned out a new kind of person. It wasn't simply that there weren't entrepreneurs before, that there weren't merchants, that there weren't rich people. It was that now you had people who lived to work rather than worked to live. The great majority of the people in this world, if they could get work, worked to feed themselves. A small elite lived to work, enjoyed the work so much or felt so obligated to it, that that's what it was all about. And these people of the Reformation developed personalities as reflected by their type of work. I have to tell you, these people were humorless; you wouldn't want to be that way, really. Or maybe you would. But in any case, it made for a higher productivity.

I want to talk rather about the anti-Protestant reaction because this is what cost southern Europe so much. This was the not the affair of a moment. I'm talking of what the economist calls past dependency. You make a decision and you're stuck with it for a long time. So, we're talking 400 years of retreat. What was the decision? The decision was to close off southern Europe from northern Europe. To ban the books, to ban the people, to ban the ideas as heresy. The result was southern Europe slept. Southern Europe lost its leadership. It was northern Europe that was now carrying the whole thing.

Now, this reaction of refusal and denial is not simply an example taken from this 16th century experience. It is very common historical behavior and collective behavior in the affairs of nations and the affairs of individuals. Denial is an easy way out. But it's expensive. In the affairs of nations, I think of the Islamic Middle East which felt that somehow that history had gone wrong, which remembered when it was on top and felt it should still be on top. I even see signs of it in today's Japan.

So, this is a major problem and one not unrelated to the program of cultural enhancement
that we were talking about earlier today and which is one of the themes of this meeting. Because it's one thing to promote culture and identity, and it's another thing to think that people can become productive in a material way without changing. The Europeans had to change, the Asians are changing, and there's no one in this world who's going to start making lots of shoes and cars and so on without giving up a lot of precious culture.

In addition, I have to say that the assumption from what I heard this morning was that all cultures were equally worthy and worth preserving. I'm sure that is absolutely true. But I must tell you, they are not all equally suited to successful high productivity in a material sense. They may be spiritually equal or even superior. They may get people to heaven faster. But they will not make faster cars. Indeed, I would argue there are cultures that I would call “toxic” cultures. I repeat, toxic cultures which handicap the people who cling to them. They may get all the consolation they want from this, but it handicaps them in their ability to compete in a modern world.

Well, if I had more time, I would talk about the way in which the south, north, or north-south input in Europe was repeated in the new world, in the Americas. So, you have Latin America versus Anglo-European North America; and even in North America, between the northern colonies and the southern colonies. And, Latin America, with such advantages as it has had, but has not kept up.

There has been major cultural impediments to change. There has been an unequal distribution of wealth and the culture that has supported it. There has been extensive machismo and machismo is poison. I have to tell you, that's what I mean by toxic culture. Every society has its share of machismo. But it varies from one society to another. Some are much more extensive than others. Now, I don't have to tell you that if you exclude one-half of the population of the human race from effective contribution to production because they are not allowed to work in public places or whatever, you are losing a large share of potential productivity.

We now find ourselves in a world of globalization and everybody is looking forward to paradise on earth. We are all going to have enough clothes to wear and enough food to eat and so on. Yes or no? You heard about poverty and poverty is not going away tomorrow. This process of globalization is an old story. It goes back at least to the 16th century with the opening of the new world. It is a highly selective process. On the one hand, the most successful emulators are joining, are converging with the richer nations. On the other hand, the split between the rich and poor is growing all the time. There's only one answer to all this. It means education and it means starting very early, before the school years.

Lots of countries are pleased to note that there are new factories, that the Japanese have set up auto manufacturing plants in Thailand, that they're making watches in Malaysia. That's very good. It makes Malaysian product bigger and Thai product bigger. But the day these places can no longer provide labor as cheaply as another place, there is nothing to prevent the outside country from simply pulling out. True autonomy comes only with a level of education and knowledge that enables you to learn from others, change what they've told you, improve on what they've told you, and invent your own things. As of now, there are only a handful of centers in the world that can do this and this is the big task of the future. Not simply to equalize income but to equalize autonomy and the ability to compete in the world on your own.
Mario Rietti
President, COFINSA
Honduras

THE ECONOMIC, ANTHROPOLOGICAL, AND SOCIAL PERSPECTIVE: CULTURE AND SUSTAINABLE DEVELOPMENT IN CENTRAL AMERICA

Culture is a link between environment and sustainable development. Since our nations of Central America come from a long tradition of concentrated power and paternalism, the exchange and analysis of this session sets the analytical and theoretical for the role of culture within the Central American Alliance for Sustainable Development. The opening keynote speeches and the first session provided an overall assessment of a new comprehensive development framework and the importance of poverty reduction and culture in sustainable development programs.

The Central American Alliance for Sustainable Development was adopted by the presidents of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama; and the prime minister of Belize in Managua, Nicaragua, October 12, 1994. The specific objectives and commitments of the Alliance for Sustainable Development were implemented in Tegucigalpa, Honduras, October 25, 1994, at the International Conference on Peace and Development in Central America.

The Role of Culture from an Economic, Anthropological, and Social Perspective in Central America

All human societies have been curious about how their customs originated and what the difference between their own culture and that of neighboring societies might mean. The problem of making cultural anthropology scientific is part of the new research and fieldwork in economic development and anthropology. Within this context, applied studies offer the nearest approach to the controlled experiment in the social sciences, putting differences between the theoretical research and the technical investigation.

Any social cultural system existing in a natural habitat and, of course, this environment exerts an influence upon the cultural system. Customs, beliefs, tools, techniques, folk tales, dress and so on, may diffuse from one people or region to another. The present view on ecological or environmental adaptation and change is that although the environment does not determine cultural change, it permits, sometimes encourages, and prohibits the acquisition or use of certain cultural characteristics.

Historically, Central American economies have suffered from a combination of practices and cultural attitudes which have been called “crony capitalism”. Unlike a true free enterprise system, which rewards work, savings, investment, risk-taking, and entrepreneurship, this pseudo-capitalism stresses control of economic activity by the state on behalf of favored sectors or individuals. The result has been twofold: the economies have failed to become as productive as the natural energies and talents of their people, would otherwise suggest, and capitalism has been discredited as an unfair economic system where a few gain power and wealth while the great mass of citizens enjoy very little upward mobility.

This result of a distorted capitalism must be corrected if there is to be any chance for a long-term economic growth and political stability, recognizing the right of economic initiatives and the free exercise of entrepreneurial activity with equal opportunities in the market place. Also, the existence of high levels of poverty and social injustice in Central America make the issue of equity one of the main concerns of the next millennium.

The global economy has moral dimensions and human consequences, taking into account that humans are the subject and object of economic development. In Central America, society has a moral obligation, including government action where needed to ensure equal opportunity, meet basic human needs, and pursue justice in economic life.

According to Pope John Paul II, the Catholic tradition, which prevails in Central America, calls for a “society of work, enterprise and participation, which is not directed against the market, but demands that the market be appropriately controlled by the forces of society and by the state to assure that the basic needs of the whole society are satisfied”. (Centesimus Annus, 35)

The major social challenge in Central America is to overcome extreme poverty, ensuring human development, and satisfying basic human needs with a sustainable management of natural resources. From an economic, anthropological, and social perspective, the region's sustainable development depends on overcoming obstacles such
as imbalance in patterns of production, consumption, and human settlement; high population growth, and increased levels of poverty. Poverty is not only a manifestation of serious backwardness, but also one of inequality, which is an obstacle to harmonious conciliation and national integration and is a potential threat to democratic coexistence and firm and lasting peace.

Therefore, creating sustainable production and consumption patterns has become a common concern from an economic, anthropological and social perspective in Central America. Appropriate policies organizational strategies must be developed to promote, protect, and make sound use of the cultural and natural wealth of the region, ethical values that contribute to strengthening sustainable development, and education on the care and sustainable use of natural resources.

**Agenda 21 and the Central American Alliance for Sustainable Development**

At the Earth Summit held in Rio de Janeiro, Brazil, June 1992, the Central American presidents and the prime minister of Belize, together with more than one hundred chiefs of state, took on important commitments for a sustainable development framework as advanced by Agenda 21. Following these commitments, the Central American Alliance for Sustainable Development (ALIDES in Spanish), an integral strategy to promote the political, economic, environmental, cultural, and social sustainability of the region was adopted in 1994.

Within the context of ALIDES, the concept of sustainable development is adopted as a “process that pursues progressive change in the equality of human life and which targets human beings as the central and primary target of development. It is achieved through economic growth with social equity and changes in production and consumption patterns, based on ecological equilibrium and the support of the region. This implies respect for regional, national, and local ethnic and cultural diversity, and the enhanced and full participation of all citizens, living together in peace and harmony with nature, not jeopardizing but rather guaranteeing the quality of life of future generations.”

The principles, bases, objectives, and instruments of ALIDES tend to link commitments in political, social, cultural and economic matters with those commitments in environmental and natural resource matters as an intergenerational responsibility. Also, following Agenda 21, the governments agree to integrate the National Councils of Sustainable Development with representatives of the public sector and civil society, creating the Central American Council for Sustainable Development, composed of the Presidents, to link the regional element of integration, harmoniously and coherently with national objectives and priorities.

Also, in the Presidential Summits of Santa Cruz, Bolivia, and Santiago, Chile, the Central American presidents, together with the chiefs of state of all the Americas, conscious of the challenges that globalization implies, adopted an agenda of institutional reforms for sustainable development, transparency and public participation as part of the democratic process.

The Declaration of Santiago, Chile, and the Action Plan of the Presidents of April 1998 contain ambitious goals for education; preservation; and strengthening of democracy, justice and human rights, economic integration and free trade, and eradication of poverty and discrimination. These goals are followed by the explicit support of the reforms of the financial, judicial, and public sectors to achieve transparency as the foundation of sustainable development.

The Santiago Consensus (the term given by the President of the World Bank) and its respective Action Plan, obligates governments to promote—with the participation of the civil society—the development of principles and recommendations that stimulate transparency and support according to national priorities, alliances, and dialogues between the public sector and civil society in areas they consider relevant. The Action Plan details pertinent, successful experiences of the National Councils for Sustainable Development and the Inter-American Strategy of Public Participation with the Organization of American States (OAS), among other existing initiatives that promote a greater participation of civil society in public matters.

Hurricane Mitch, which affected Central America, especially Honduras, but also Nicaragua, El Salvador and Guatemala, at the end of October 1998, with devastating effects, demonstrated the ecological, cultural, and social vulnerability of the region. It showed the extreme vulnerability of the poorest segments of the pop-
ulation who suffered the most from Mitch's devastation. At the same time, it provided important lessons to avoid repeating the same mistakes and the need to break the vicious cycle of poverty and cultural and ecological degradation.

Two good examples of the role of the World Bank in the economical, anthropological, and social perspectives of cultural and sustainable development in Central America, are the holistic approach of a Comprehensive Development Framework and the Interactive Environmental Learning and Science Promotion Project (PROFUTURO) in Honduras.

**Comprehensive Development Framework and the Interactive Environmental Learning and Science Promotion Project (PROFUTURO) of Honduras**

During the 1998 Annual Meetings of the World Bank and International Monetary Fund, World Bank President James Wolfensohn called for a new, more balanced approach to development assistance. The new approach, as stated by President Wolfensohn, "that we do not impose anything upon our clients, but that they formulate solutions with our help" should permit us to "go beyond projects and think more rigorously on what is required for sustainable development in the broadest term".

As a holistic approach to development, the Comprehensive Development Framework (CDF) seeks a better balance in policy making by stressing the interdependence of all elements of development: social, structural, human, governance, environmental, economic, and financial. The proposal for CDF dated January 21, 1999, is based on the following principles:

- **Ownership by the country.** The country, not assistance agencies (or donor governments), determines the goals and the phasing, timing, and sequencing of the country's development programs.
- **Partnership** with government, civil society, assistance agencies, and the private sector in defining development needs and implementing programs.
- **A long-term vision of needs and solutions,** built on national consultations, which can engender sustained national support.
- **Structural and social concerns** treated equally and simultaneously with macroeconomic and financial concerns.

The Central American countries have stressed support for the CDF as an opportunity to discuss macro and sectoral issues, improve government interaction with donors and civil society, and better define the kind of programs that are needed for human sustainable development.

To achieve effectiveness in reducing poverty, the CDF matrix, as a holistic approach to development based on country ownership and partnership, needs to integrate the activities of partners in the development process with the pre-requisites for sustainable development and poverty alleviation. The National Councils for Sustainable Development (NCSD) and similar entities, as coordinating mechanisms to bring major civil society groups together with government and other economic actors, can play an important role in implementing the CDF, developing multi-stakeholder approaches on a comprehensive, transparent and accountable basis.

Although these organizations may vary widely in missions, composition, operational procedures, and effectiveness, they are integrating environmental, economic, and social considerations for sustainable development at the national and regional level, bringing people together and putting people first.

The Council for Sustainable Development of Honduras (CONADES) is implementing the CDF under a long-term strategy for sustainable development as a process of national reflection about the future of Honduras in the year 2020, to facilitate dialogue and create alliances within the different partners in the development process, promoting decentralization through municipal development councils, and alleviating poverty.

As a country that harbors some of Central America's richest ecosystems, Honduras is facing serious natural resource management pressures. Central America has one of the highest deforestation rates in the world. In Honduras, the country which has the highest forest potential in Central America, most of its primary forests have now disappeared. Also, unsustainable agriculture and logging have provoked a decrease in rainfall during the summer and a deterioration of the river watersheds due to the lack of sustainable natural resource policies, including incentives for forest management.

Within the context of Honduras's sustainable development needs and ethnic diversity, the development objective of the Honduras Interactive
Environmental Learning and Science Promotion Project (PROFUTURO), approved by the World Bank in May 1999, is to encourage and expand Honduran scientific, environmental and cultural knowledge and management.

The project will support the following activities:

1. Design and implementation of an Interactive Learning Center (ILC) as an informal educational facility focused on the social, scientific, and environmental requirements for sustainable development, to be used by children, teachers and parents with exhibits on topics such as:
   - science and technology (our world, energy, cities, transport, astronomy, geology, economic production);
   - sustainable development and environmental management linkages with natural disasters (natural resources, plants and animals, biodiversity);
   - the human body and communication (the senses, cycle of life, language and knowledge, communication and artistic expression, the brain and memory); and
   - sustainable development practices and scientific knowledge among pre-Historic cultures;

2. Support for capacity building of staff and volunteers of the ILC and the development of an ILC communications strategy; and

3. Design and implementation of a management plan for archeological parks.

The archeological park of Copan in Honduras is an extraordinary cultural legacy left to us by our ancestors, the Mayans. On the international level, UNESCO declared Copan a World Heritage Site in 1980, giving it a place of privilege among the most important cultural monuments of the world. More than one thousand years ago in Copan, the shining sun of the Mayan Empire vanished. But at the same time, a new era that lasts until our days, starts always in the search of lost splendor. The last archeological discoveries in the Mayan Ruins demonstrate that this city hides secrets that do not allow us to understand how man lived.

As PROFUTURO Project Appraisal Document stated on history and heritage, Honduran children stressed the importance of the Maya culture and the Spanish domination. Children said: "The Mayas were brilliant, glorious, admirable and with a great artistic talent," "We are conformists, and we do not like challenges;" "The main concern is that the rich are becoming richer and the poor will become poorer because of their passivity." However, in contrast to the admiration that they showed for the Mayans, children were concerned about Honduras and themselves as Hondurans, who they have described as being conformists.

Activities that will be part of the social assessment of PROFUTURO include the following:

- Anthropological study about what 21st century children should learn from pre-Hispanic cultures;
- Analysis about the vision of Honduran children toward history, environment, education and science;
- Analysis about the vision of Honduran children and teachers on sustainable development; and
- Consultation with children, teachers and parents on ethnic diversity and the main issues related to education, particularly informal education.

Strategies, Policies and Priority Areas of a New Agenda: The National Integrity Pledge for the Sustainable Development of a New Honduras

A new Central American strategy for sustainable development must support the objectives of Agenda 21 and the Central American Alliance for Sustainable Development (ALIDES). The Central American Council for Sustainable Development, based on the success of the peace process in the area, must renew its efforts to promote our countries’ economies and achieve the integration of Central America in the world economy as part of the globalization process. So far, in Honduras, apparently only football teams have understood the importance of the globalization process by selling Honduran players to foreign teams in Europe, especially in Italy and Spain.

Also, to avoid the mass migration of Central Americans to the United States of America and to take advantage of the dividends of peace, promote democracy, freedom, and sustainable development, new policies and strategies are required for a successful relationship between the United States and Central America, providing employment opportunities, strengthening human resources, expanding capital formation, and diversifying and protecting the region’s natural resources.
Therefore, the strategies to reinforce peace, democracy, equity and human sustainable development should promote sustainable economic growth as the best antidote for poverty; strengthening the rule of law and national reconciliation; develop productive employment through small and medium scale enterprises and improve economic efficiency and relieve rural poverty through the expansion of basic agricultural practices; ensuring the full effectiveness of human rights, strengthening judicial systems and good governance, fostering transparency, approaching in a human manner, the issue of migration; expanding trade and investment opportunities; implementing a program of sustainable development that includes national disaster prevention, and supporting debt relief and financial cooperation.

Within this context, the National Integrity Pledge for the Sustainable Development of a New Honduras was signed by representatives of CONADES from the government, civil society and the private sector on November 26, 1998, following a broad consultation process, which took place during the week of November 19–26, after Hurricane Mitch caused tremendous disaster in Central America, especially in Honduras.

To coordinate the follow-up of actions in sustainable development and facilitate dialogue and alliances within the different participating sectors, the Pledge, putting into practice the dialogue of President Carlos R. Flores, proposed goals, principles, and actions as follows:

1. The moralization of the State and the dialogue between the different participating sectors in order to promote civic, ethical, moral, environmental and tax values in a transparent manner, within an education system oriented towards work and life.

2. Promote public participation in sustainable development policies and strategies, creating effective mechanisms that give credibility to the political process based on ethical and moral principles.

3. Strengthening of the institutions and a mechanism for the prevention and control of corruption, adopting the bases for a legislative project on public integrity, against corruption, developed by the Latin American Bishops Conference (CELAM, in Spanish) and Transparency Honduras.

4. Promotion of family as the foundation of Honduran society and the integration of economic, social and cultural policies in churches, learning centers, media, civil society, political parties and the government.

5. The conservation and use of biodiversity for sustainable development within the objectives of ALIDES, Agenda 21, and the consultative process of the Earth Charter to reduce ecological and social vulnerability.

6. The promotion of transparency and good governance in programs and projects that favor human sustainable development through educational campaigns, systems of integrated financial administration, evaluation and control of results, citizen participation, to promote different morals and ethics for Honduras.

7. The fight against poverty and the follow-up and monitoring of agreements signed by the government of Honduras, promoting transparency as the golden rule in a culture of legality and good governance.

8. The agreement of a project for the nation through the implementation and follow-up of the National Integrity Pledge for the Sustainable Development of a New Honduras, through CONADES, Transparency Honduras and the National Convergence Forum.

9. Encourage public participation in a transparent, effective and responsible manner, regarding decision-making and culture in environment and sustainable development, according to the successful experiences of the Inter-American Strategy of Public Participation of the OAS and the integrity systems of the World Bank and Transparency International.

10. Promote conditions that permanently strengthen the capacity and participation of society to improve present and future quality of life, transmitting with our faith in God and in the future of a new Honduras, the coherence and consistency of policies, programs and projects with the planned strategy of a sustainable future.

Some of these goals, principles, and actions to the establishment of a long-term partnership are priorities of the Stockholm Declaration of the Consultative Group Meeting for the Reconstruction and Transformation of Central America, agreed on May 28, 1999.
Priorities of the Consultative Group Meeting for the Reconstruction and Transformation of Central America (Stockholm Declaration)

As Mr. Enrique Iglesias, President of the Inter-American Development Bank (IDB), expressed in his opening statement at the Consultative Group Meeting for the Reconstruction and Transformation of Central America on May 25, 1999, in Stockholm, Sweden, “Hurricane Mitch provided important lessons which clearly demonstrated the extreme vulnerability of the poorest segments of the population. The poor, living in high risk areas, bore the brunt of Mitch’s destruction. Deforestation, cultivation of steep hillsides, and building shelters in flood plains provoked immense flooding and mudslides”.

The Stockholm Declaration established that the Governments of Central America and the international community have committed to a long-term partnership guided by the priorities defined by the Central American countries and based upon the following goals and principles:

- Reduce the social and ecological vulnerability of the region, as the overriding goal.
- Reconstruct and transform Central America on the basis of an integrated approach of transparency and good governance.
- Consolidate democracy and good governance, reinforcing the process of decentralization of government functions and powers, with the active participation of civil society.
- Promote respect for human rights as a permanent objective. The promotion of equality between women and men, the rights of children, of ethnic groups and other minorities should be given special attention.
- Coordinate donor efforts, guided by priorities set by the recipient countries.
- Intensify efforts to reduce the external debt burden of the countries of the region.

As the President of Honduras, Carlos R. Flores pointed out, “the tragedy of Hurricane Mitch provided a unique opportunity not to rebuild the same, but a better Honduras.” The need for transparency of both donors and public funds and a greater involvement of the civil society in the implementation and monitoring the Master Plan for the National Reconstruction and Transformation demands public participation on a new culture of sustainable development within a long-term strategy for the challenge and prospect of the new millennium and a better future for present and coming generations of the peoples of Central America.

Public Participation and the Economics of Culture in Sustainable Development

Considering that ALIDES, the Santiago Consensus and the 10th Principle of the Rio Declaration on Environment and Development (Agenda 21) establish that public participation should be achieved by permitting everyone adequate access to the information and that the States should provide and encourage sensitization and participation of the people, making information available to all. Participatory development, an integral part of the process of sustainable development, is a mechanism by which people, communities and countries gain voice and move towards enhanced autonomy, going from passiveness or submission to negotiated action.

Considering that the Stockholm Declaration and the National Integrity Pledge for the Sustainable Development of a New Honduras, facing the grave crisis left by Hurricane Mitch, give us the opportunity to reflect upon and restate our attitudes and promote a different ethical and moral conduct towards these policies, objectives and principles of the economics of culture in sustainable development, which should promote the effective and informed public participation by the different government sectors and of the organized civil society, through its representatives, in order to achieve new alliances that participate in decision-making and work towards the transformation of the use of natural resources and environmental protection, modifying consumption conduct and patterns that lead to a sustainable society.

The Central American Council for Sustainable Development and the NCSD, as coordinating mechanisms to bring major civil society groups together with government and other economic actors, can play an important role in implementing the comprehensive development framework, developing multi-stakeholder approaches on a comprehensive, transparent and accountable basis.

Also, the NCSD can follow-up on and monitor the fulfillment of agreements signed by the Central American governments in different Presidential Summits, promoting political reforms, legislation, programs, and projects that favor sustainable development and the strengthening of institutions and mechanisms to promote fam-
ily as the basis of our society and its integration in environmental, economic, social and cultural policies, articulate economic policies with social and cultural policies in an integrated approach, targeting the family.

An essential step in strengthening multi-stakeholder mechanisms and planning sustainable development in Honduras and the other Central American countries is to establish an information system and sustainable development indicators that permit the evaluation of the state of the nation in sustainable human development and accountability by public servants, generating information and research about transparency in public negotiations.

To make sustainability work, it is necessary to include cultural, economic, environmental, and social elements in the planning of a new kind of progress. The fight against poverty, desertification, and drought through conservation and the use of biodiversity, the sustainable management of natural resources, development of alternative energy sources, and plague and disease control needs the creation of capabilities, education, culture, and public awareness in matters relating to climate, meteorology, water, and plans to take on the migration problem and transparency in free trade negotiations.

For joining efforts to achieve regional sustainability in Central America, we must coordinate donor efforts, guided by our own priorities, in order to achieve a better use of technical and financial resources, an orientation towards results in providing public services, the sustainability of investments and a greater accountability.

Also, Honduras and Nicaragua, the only Central American countries eligible under the Highly Indebted Poor Countries (HIPC) Initiative, could use the NCSD to convert debt into a human sustainable development fund as part of a long-term development strategy consistent with the CDF matrix and the priorities of the Stockholm Meeting.

Public participation and the economics of culture in sustainable development may involve difficulties and long processes, but it brings many benefits: the contribution of local knowledge to activities; greater consistency between objectives and results on the one hand, and actual needs in the other; greater levels of efficiency and the creation of a sense of ownership of the activity on the part of the grassroots organizations. Participation may also lead to changes in know-how skills, and the sharing of power among individuals and communities, contributing to the achievement of greater social equity.

A new mental revolution is needed; one that is as important as the industrial revolution for communicating a new mind-set. As Mr. Ted Turner, one of the sustainability supporters of the United Nations, has pointed out, "We need to change public perceptions about what success really is, and walk more softly in the Earth. Because environmental problems develop over time, it is difficult for people to understand the implications, to visualize solutions. Yet it is our responsibility to take steps today that will have a beneficial effect on the human condition in 50 and 100 years from now."

Cultural values count in sustainable development, because global environmental problems reflect the aggregates of local action and national policies and principles of good practice in social policies. The failure to place the economics of culture in sustainable development has led to a corrosive materialism in the world's more industrialized countries, and persistent conditions of deprivation among the masses.

The principles, objectives, and instruments of the Central American Alliance for Sustainable Development are based on freedom, dignity, justice, social equity, and economic productivity. The major social challenge is to overcome extreme poverty, which is not only a manifestation of serious backwardness, but also one of inequality. The success of sustainable development in Central America, and especially in my own country, Honduras, will depend on the establishment and strengthening of the municipal structures responsible for community organization and participation, as well as on decentralized social services that involve broad participation of beneficiaries, financing resources and the economic of culture in sustainable development.
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The Economic Dimensions of Culture: An Analytic Perspective

To some people it may seem incongruous to speak of culture and economics in the same breath. The American economist John Kenneth Galbraith said in 1959 that "art has nothing whatsoever to do with the sterner preoccupations of the economist". Yet in the years since Galbraith wrote these words, we have seen a growing interest in what has become known as cultural economics, the application of economic theory and analysis to problems in the arts and culture.

Yet in the world at large the dominance of what we could call the economic agenda in national and international affairs has become universal. The global economy is increasingly reliant on market forces as the principal means to guide the allocation of resources within and between nations. Governments in both western and eastern hemispheres have been deregulating their economies and opening up markets to what are seen as the benefits of economic competition.

But there is a real danger that the economic agenda may in some respects be at odds with the cultural needs and aspirations of human kind. Contemporary economic analysis tends to emphasize efficiency at the expense of equity and justice, and material progress at the expense of the nonmaterial quality of the lives we lead. This conference provides us with a unique opportunity to face up to this dilemma and to assert a significant and equal role for a cultural agenda in world affairs. My task in the short time I have available is to point to some ways in which economics and economic analysis can illuminate our understanding of culture and cultural processes and can help us to make better decisions.

I mentioned earlier the growth of cultural economics as a specialization in the broad discipline of economics. Cultural economics is an area which has an international professional association, holds a biennial congress, and publishes a scholarly journal, the Journal of Cultural Economics, now in its twentieth year of publication. I want to point to three areas where cultural economics has shown us something about how economics and culture interact.

The first area is the designation of the so-called cultural industries as leading sectors in the economic development of mature economies in the post-industrial age. The study of the cultural industries began with a focus on the role of the arts. It was recognized that the arts, in the form of music, literature, drama, dance, the visual arts and so on, were not some minor economic backwater, but significant industries in their own right, making important contributions to output, employment and economic growth. Some artists have felt uneasy about talking of the arts as an industry, feeling that to do so is to subjugate the creative process to the dictates of the market place, or that art is too noble and spiritual to be turned into a commodity. In reality art has always been a business, and to apply tools of economic analysis to the arts is simply a way of trying to understand better how this business works.

More recently, the idea of the cultural industries has been extended outwards from the arts to embrace a much wider group of industries, including film, television and radio, publishing and other media, architectural services and even advertising. When the cultural industries net is cast like this, we are dealing with perhaps five percent or more of GDP in most countries, and by any standards this is significant in economic terms. Such a broad interpretation of the cultural industries links culture with new information and communications technologies, and emphasizes the importance of having regard to the cultural content of the information revolution. And so we can see that through these linkages culture will have a pivotal role to play in economic development in the 21st century.

The second area where economic analysis and culture interact is in the field of cultural policy. Ten years ago, very few countries had even heard of cultural policy. But over the last decade governments have become increasingly aware not just of the economic importance of the cultural industries, but of the more fundamental ways in which the cultural aspirations of people need to be supported and encouraged through enlightened government action. Cultural policies in some countries have sprung at least partly from self-interest, as in the ongoing negotiations concerning cultural goods and services in interna-
tional trade. In other cases cultural policy has had a stronger focus on cultural values, more or less for their own sake. As government budgets become more constrained, new ways have to be found for allowing the state in liberal democratic societies to play its essential role of fostering cultural activity, not directing it in a dictatorial way, but providing essential resources to encourage the free expression of creative ideas. Economic analysis says a lot about markets; it also says a lot about how markets fail, and artistic innovation and creativity can be a prime case of market failure. Hence strategic government assistance to the arts and culture can be critical to their survival.

But of course cultural policy is a lot more than simply fiscal measures applied by the state. An institutional analysis of cultural policy would draw attention to the emergence of new partnerships between national governments, international organizations, the corporate sector and NGOs, in pursuing cultural goals in an increasingly global world. Economic analysis has a lot to offer in articulating how such partnerships can and should work. At a broader level, we have the continuing task of persuading politicians and bureaucrats to lift their eyes beyond an exclusive preoccupation with economic management, and to take cultural policy more seriously, in particular to integrate it more closely with their pursuit of economic goals.

The third area where economic analysis can help to illuminate culture is an area that brings me very close to the spheres of interest of UNESCO and the World Bank, namely the role of culture in the process of development, especially in the Third World. In the postwar years development economists have made considerable progress in understanding the phenomena of growth and structural change in developing economies. In particular a recognition of the role of human capital in economic growth has led to a reassessment of the contribution that education, training, skill formation and other such investments make in promoting technological change and structural adjustment within the economy. Yet an understanding of the role of culture in economic growth has been slow to emerge in economic theory. Only a handful of economists have tried to study the cultural determinants of economic growth and to explain economic success or failure in cultural terms. But in the last few years there has been a growing volume of empirical evidence on the ways in which cultural factors affect economic performance in the developing world. In the case of the Asian Tigers, for example, there has been considerable debate as to the importance of cultural differences in explaining some of the spectacular growth rates that were seen in the region during the 1970s and 1980s. It is now generally agreed that no single explanation, whether it is economic, social, cultural or political, is sufficient on its own to account for the growth performance of these economies, but by the same token it is also more generally recognized now that the contribution of cultural factors to Asian growth has probably been more important than many economists originally realized.

It is particularly significant, I believe, that the World Bank is now placing such importance on culture in economic development. The Bank is, as we know, one of the most important institutions in the global economy, and it depends, in a sense, on economic processes for its existence. So the fact that it recognizes the crucial importance of cultural factors in determining the success or failure of lending projects in all sectors of borrowing countries is especially significant. Moreover the Bank's acceptance that cultural projects themselves—the restoration of cultural heritage and the encouragement of the cultural life of communities—are legitimate avenues for lending is also to be welcomed.

There is also a broader agenda at work here, to do with even more fundamental issues. It concerns the fact that economics and the economy are not ends in themselves, but means to an end, the goal of human development, where the hope is that the aspirations of ordinary people can be realized with equity. The word culture in its best sense can provide a way of expressing these aspirations, and so the notion of cultural development can encapsulate much of what we mean by bringing economics and culture together in a developmental context. The report of the UN World Commission on Culture and Development (WCCD) provides a thorough analysis of the complex dimensions of this sort of cultural development. In a way, it does for culture what the Brundtland Report did for the environment; but like its predecessor, it has taken a while to catch on. In this regard, I would recommend to you one of the outcomes of the WCCD process, namely the World Culture Report, now published biennially by UNESCO, whose first edition appeared in 1998, and whose second edition will
come out during the year 2000. This regular Report provides an independent analysis of culture in development, and quite a lot of international statistics on culture around the world.

I want now to turn briefly to some more specific analytical issues where I think economics can contribute to an understanding of culture. The first has to do with questions of value and valuation. Economics has the advantage of being able to express values in terms of a unit of account that everybody understands, namely money. A set of prices for goods and services determined by voluntary exchange markets provides a ready measure of economic value for most of the commodities which are produced or consumed in the economic system. But when we come to cultural goods, we know that a significant component of their value arises outside the market place, and there are no prices we can use to obtain a direct measure of these non-market values. This is a familiar problem in the evaluation of environmental amenities, and the techniques that have been used extensively in valuing environmental benefits are now starting to be applied more widely to cultural goods and services. So, for example, the use of contingent valuation methods and other approaches in the evaluation of the nonuse benefits of cultural heritage is becoming more widespread. These developments will continue to be of particular importance in the assessment of heritage projects and in the allocation of scarce funds for the preservation, restoration and re-use of heritage buildings, sites and locations.

Economists need to be aware, however, that these techniques are only aids to decision making. There may be some values of cultural heritage which cannot be reduced to economic terms and yet which may be of considerable significance for decision making. A Forum organized last week in Rome by ICCROM addressed some of these issues, and research is also underway at the Getty Conservation Institute in the US into the nature of economic and cultural value in the assessment of cultural heritage.

Secondly, new analytical concepts for interpreting culture in economic terms are now being developed. I would draw attention especially to the notion of cultural capital as a means of representing cultural assets in terms familiar to economists. Just as we have accepted the idea of natural capital as representing the stock of renewable and nonrenewable resources which have been provided for us by nature, so also can we see tangible and intangible cultural capital—artworks, artifacts, buildings, languages—as the stock of cultural resources provided by human ingenuity and creativity. If we define such assets which have cultural value as cultural capital, we can apply a range of analytical techniques drawn from the economics of asset management to their study. I think there are promising lines of development here, especially in decision making in regard to cultural heritage.

Finally in this short list of analytical ideas relevant to economics and culture, I want to mention the pervasive notion of sustainability. No doubt we all recall how the term sustainable development was introduced to the world by the Brundtland Commission that I mentioned earlier, to denote development that meets the needs of the present generation without compromising the capacity of future generations to meet their own needs. This was such a powerful idea that the World Bank in due course adopted and applied the concept of sustainability throughout its operations. I believe that a similarly powerful case can be made for the idea of cultural sustainability. Just as we have inherited natural capital from the past, so also have past generations bequeathed to us a priceless legacy of tangible and intangible cultural capital, not just paintings and buildings and monuments, but literature, music, the languages we speak, the customs which identify us and which bind us together as civilized human beings. We have a responsibility to care for our culture that is no less demanding than the responsibility we have to care for the physical environment. Economists can make a contribution here by helping to transform the concept of sustainability as applied to culture into an operational reality. The research project at the Getty Conservation Institute that I mentioned earlier is trying to do this, by articulating a series of principles of sustainability when applied to the evaluation of cultural heritage.

In my presentation today I have attempted to provide an analytical perspective on some of the ways in which economics and culture intersect. I have suggested that although economics has a great deal to contribute, many economists still see the world exclusively in economic terms. I would like to conclude by drawing an analogy appropriate to the city in which this Conference
Session 11.

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CULTURE AND SUSTAINABLE DEVELOPMENT: ANOTHER PERSPECTIVE

The meanings of "culture"

"Culture" means different things to different people and at different times. Anthropologists who have tended to define it as a traditional way of life now use it to cover everything from hair styles and drinking habits to how to address your second cousin. It has come to mean any lifestyle, including those challenging tradition. In aesthetics, on the other hand, it stands for our universal culture with a capital C, from Beethoven via Matthew Arnold to Jacob Burckhardt. (Oswyn Murray contends that Jacob Burckhardt is the forerunner of modern cultural anthropology. It is argued here that his meaning of culture contrasts with that of anthropology.) Matthew Arnold defined culture as "the best that has been said or thought." And Max Weber’s definition is "Culture is something finite, excerpted by human thought from a senseless and boundless world history, and invested with sense and meaning." It is this sense that the colorful film and television producer Lord Grade used when he dismissed a television arts program with the words: "That must be culture; it certainly isn’t entertainment."

Today the word spans everything from cult to agriculture. It is used for all sorts of cultures and subcultures such as mass culture, popular culture, working class culture, inmate culture, beach culture, gun culture, police culture, gay culture, deaf culture, scientific culture, business culture, corporate culture, service culture, car culture, museum culture, deaf culture, football culture, minicultures (the opposite of globalization), cultures of pain, dependency, amnesia, legalities,


2 Kultur ist ein vom Standpunkt des Menschen aus mit Sinn und Bedeutung bedachter endlicher Ausschnitt aus der sinnlosen Unendlichkeit des Weltgeschehens.” Gesammelte Werke zur Wissenschatlehre, quoted in Aleida Assmann and Jan Assmann, Kultur und Konflikt, ed. Jan Assman and Deitrich Harth (Frankfurt-am-Main: Suhrkamp, 1990, p. 35.)
joblessness, litigation, economics, and there is even a culture of scruffiness and a culture of impurity, which must be countered by bringing war criminals to justice. The culture of the World Bank, with its military metaphors, is contrasted with that of the International Monetary Fund, where solidity stands for liquidity. Melvin Reder has written a book entitled Economics: the Culture of a Controversial Science. A column in the New York Times Magazine is called “Culture Zone.” C.P. Snow described two cultures, that of the sciences and of the humanities. More than thirty years ago “culture” stood for the values we thought all of humanity shared. Today it has come to mean almost the opposite: what every little group, regional, sexual, ethnic, religious, differentiates from others, asserts its identity. The transition from “Culture” to many cultures or from a global culture to many minicultures has meant a change from universal humanity to the diversity of subcultures, every one often highly antagonistic and hostile to others. It is ironic that a concept that used to refer to the “harmonic development of the whole person” (Raymond Williams) has come to refer to specialization and sub-specialization as the basis for a way of life. A third meaning of culture that is critical of both the elitism of the aesthetic meaning and the normative implications of the anthropological meaning assert the lifestyles of social minorities.

The culture of police conduct is responsible for the torture of prisoners; the culture of racism for the killing of a black man; the culture of video games for the killings of high school students; the culture of poverty for the failure to transform welfare mothers into working women; the culture of corporate aggression for the ruthlessness of Microsoft; the culture of multiculturalism for the poor performance of American students in standardized tests. A book by Daniel Belgrad is entitled “The Culture of Spontaneity,” an oxymoron. For “culture” depends on care, training, patience, deliberation, whereas spontaneity suggests impulsiveness, a lack of premeditation and care.

The German Kultur was an 18th century reaction against the French concept of civilization. Civilization represented human progress, mainly technological accomplishments, the result of reason and science. But for the Germans civilization represented a threat to Kultur or culture. Culture represented spiritual values, not material ones; tradition, not reason. Culture was particular, civilization universal; culture was reflective, civilization progressive; culture stood for Counter-Enlightenment, civilization for the Enlightenment.

Initially, the French view of civilization with its universalist vision of humanity guided by rational scientific principles, stood for the 19th century Left, while the German romantic notion of culture with its particularist vision of a nation and its spirit stood for the Right. Recently there has been a role reversal. Multiculturalism, with its celebration of cultural primacy, is now associated with the Left, while scientific and technological progress stands for the multinational corporation, and unrestrained capitalism, and is associated with the Right.

It has been discovered that even chimpanzees show cultural differences. Chimpanzees living on the Ivory Coast of Africa groom, court and use tools differently from those apes on the Gombe forest of Tanzania; while the chimpanzees of Uganda adopt a different local fashion again. It was found that these animals can pick up behavior patterns through observation and imitation, and then convey these learned skills to their neighbors and kin.

Though economics and politics should, ideally, serve culture, the opposite is often the case, sometimes with disastrous results. Unfortunately, culture instead of resisting power has often come to serve it. Geoffrey H. Hartman, in his book, The Fateful Question of Culture (New York: Columbia University Press, 1997), asks the fateful question: can “an idea of culture be formulated that remains generous, that is not the pawn of politics and does not rationalize suicidal acts of collective self-differentiation?” Culture should affirm a more companionable way of life, with compassion and loving-kindness not only towards other members of one’s group but also towards other groups.

Does the acknowledgment, approval and celebration of diversity, of many different cultures, imply relativism? Not at all, though some writers insist that everything is culture, including mathematics and science. If everything is culture, nothing is immune to challenge, including courtroom evidence and archaeological evaluations. This view is untenable. But celebrating the diver-

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sity of cultures, while not implying relativism does imply pluralism. Pluralists see cultural differences as comprehensible and bridgeable, whereas relativists do not. Pluralists believe that the values that divide cultures are objective, whereas relativists do not. A pluralist takes sides on moral and political issues and believes that there are fundamental moral categories that are part of people’s being, thought and identity. There are universal values such as fairness, courage, sympathy and well-being. Adherence to moral standards is not a matter of taste, inclination, or mere culture, but the very definition of what it means to be a human being. This common human nature is, however, according to pluralists, exhibited in different forms in different cultures. There can be conflict between moral standards; every choice entails a loss, and the act of free choice is what defines us as human.

There are two views of the relationship between development and culture. According to the first, economic growth is the objective and culture a means to promoting it. Its value is entirely instrumental. Protestantism and Confucianism, for example, are cultures that contribute to savings, hard work, hygiene and healthy living habits. They are therefore to be welcomed. On the other hand, if cultural attitudes and habits hamper economic growth, they should be eradicated. This view of the relationship between culture and development is interesting and important, but one may question whether growth is the end?

We may consider growth as the means to our freedom to live the way we value. And what we value and cherish is a matter of culture. Looked at this way, culture is the desirable end; it is what gives meaning to our existence.

This dual role of applies not only to growth, but also to sustaining our environment, preserving family values or protecting civil institutions. We value some cultural features as means to certain objectives. But when we ask why we value these objectives, culture enters not as a servant, of ends but as the social basis of the ends themselves. Economics and politics should, ideally, not only use culture but also serve culture.

What if conflicts arise between the preservation of a culture and the attitudes and institutions that are needed for economic growth and development? Inevitably, growth and change bring with them the demise of traditional ways of life, customs, styles and artifacts. As Amartya Sen has argued, it is then for the people to decide whether to sacrifice material goods for the preservation of a culture or whether to sacrifice certain cultural features for greater prosperity.5 “[I]n the freedom-oriented perspective the liberty of all to participate in deciding what traditions to observe cannot be ruled out by the national or local “guardians”—neither by the ayatollahs or other religious authorities, nor by political rulers (or governmental dictators), nor by cultural “experts” (domestic or foreign).”6

Diversity

The politicized meaning of culture in the sense of the lifestyle of minorities can give rise to tension, conflict and violence. Small differences, such as those between the Muslims and Christians in the old Yugoslavia, or between the Albanians and the Serbs in Kosovo, or between the Protestants and Catholics in Northern Ireland, or between the descendants of the sons of Abraham, the Jews and the Arabs, in West Asia, can give rise to tensions that break out in violent conflicts. They are at heart narcissistic conflicts.

There is, perhaps, something to be said in favor of getting rid of cultural diversity. Since individuals interact and coordinate their actions, often tacitly, through culture, cultural diversity can interfere irritatingly with time and effort-saving. But apart from this practical argument against diversity, there are several strong arguments in its favor.

Above all, cultural diversity is here to stay. But in addition to its inevitability, diversity is desirable for several reasons.

- First, diversity is valuable in its own right as a manifestation of the creativity of the human spirit.

- Second, it is required by principles of equity, human rights and self-determination.


6 Ibid. p. 32.
• Third, in analogy to biological diversity, it can help humanity to adapt to the limited environmental resources of the world. In this context diversity is linked to sustainability.
• Fourth, it is needed to oppose political and economic dependence and oppression.
• Fifth, it is aesthetically pleasing to have an array of different cultures.
• Sixth, it stimulates the mind and encourages creativity.
• And seventh, it can provide a reserve of knowledge and experience about good and useful ways of doing things.

The role of conflict

Conflict is normally viewed as destructive of the social order. But it was found that conflict is not necessarily an obstacle to successful development. Heraclitus thought that “war is the father of everything” and Machiavelli entitled a chapter in the Discourses “How the Disunion between the Plebs and the Senate Made [the Roman] Republic Free and Powerful.” But most authors emphasized order, peace and harmony as the ideal for a social order. More recently, Robert D. Putnam found that the success or failure of regional governments in Italy was “wholly uncorrelated with virtually all measures of political fragmentation, ideological polarization and social conflict.” Successful building of social capital through a network of NGOs is not necessarily free of strife.

One may even go further. Conflict, or at least some forms of it, can also be regarded as a pillar of democratic societies, as the glue that holds them together. Conflicts can provide society with the “social capital” it needs to be kept together. Albert Hirschman has made a beginning in distinguishing between when conflict is destructive and when constructive. He distinguishes between conflicts about more or less, such as the distribution of income, and conflicts about either/or, such as abortion. Conflict arises inevitably with change. Globalization and technical progress benefit some countries, some regions, some sectors, and some groups, and harm others. In free societies, those who suffer will tend to organize themselves and attempt to regain their position. Those who agree with them from a sense of social justice or sympathy will support them. One group is motivated by self-interest, the other by solidarity or a sense of fairness or fellow feelings. The strength of democratic societies derives from this combination and from the conflicts to which it gives rise.

If poverty comprises many more dimensions than lack of income, and includes deprivation of education and health, social exclusion, lack of employment, discrimination against women, environmental degradation (of the soil, water, forests and climate), insecurity, violation of human rights, lack of voice in the counsels of society, and of cultural expression, the chances of conflict over its reduction and eradication are greatly increased. Income can be divided in different portions and is therefore easier to negotiate and to compromise on than decisions that are subject to an either/or. Ethnic, linguistic, religious and gender divisions and disagreements on voting rights give rise to non-divisible conflicts. Unfortunately, it seems that these types of conflict which are not readily amenable to negotiation and compromise are on the increase.

Even the destructive type of conflict, which can give rise to revolutions, may be inevitable. Anglo-Saxon political and economic theory has been prone to adopt the harmony doctrine, according to which all (legitimate) interests can ultimately be reconciled. Opposed to the Anglo-Saxon conviction of a common good, based on a harmony of interests, is the Continental thought of Marx, Schumpeter and Myrdal who, each on different grounds, reject the concept of “social welfare” or a “common good” as metaphysical nonsense. Their attacks are directed at the various versions of the notion of interest harmony, both as a meaningful concept and as a desirable objective. They not only point out the existence of conflict but also often welcome it as a condition of life.

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Globalization reduces the confrontations between capital, management and high skills on the one hand and labor on the other by enabling the former to opt out by going abroad. “The community spirit that is normally needed in a democratic market society tends to be spontaneously generated through the experience of tending the conflicts that are typical of that society” writes Albert Hirschman. And Dani Rodrik goes on to ask: “But what if globalization reduces the incentives to ‘tend’ to these conflicts? What if, by reducing the civic engagement of internationally mobile groups, globalization loosens the civic glue that holds societies together and exacerbates social fragmentation? Hence globalization delivers a double blow to social cohesion—first by exacerbating conflict over fundamental beliefs regarding social organization and second by weakening the forces that would normally militate for the resolution of these conflicts through national debate and deliberation.”

Partial globalization leads to national disintegration. The increase in the number of countries in the last ten years can be explained, paradoxically, as a result of globalization. In a world united by air travel, the Internet, multinational enterprises and international organizations, ethnic minorities wish to participate directly in the benefits promised by globalisation. These people of the new states feel that their old countries had denied them the opportunities to participate in the affairs of the world. But the rise in the violent expression of ethnic tensions cannot be so easily explained. Rwanda, Burundi, Bosnia, Armenia, Azerbaijan, Chechnya, Kosovo, the Kurds, the Palestinians, the Chiapanas have manifested degrees of violence after having lived with their neighbors sometimes for generations in peace. Violence has often been the result of the breakdown of a previous order. Democratic elections in countries without the tradition and institutions of democracy such as courts, police, a free press, often led people to have recourse to ethnic violence.

Global interdependence and culture

It has become a cliché to say that international interdependence is great, has increased, and will continue to grow. Normally this is intended to refer to trade, foreign investment, the flow of money and capital, and the migration of people. Advances in technology such as the jet, telex, satellite TV, container ships, super tankers, super ore carriers and technical progress in transport, communication, travel and information have shrunk the world.

But the international spread of cultural impulses, of ideas and ideals, is at least as important as that of economic impulses. Observe the young in the capitals of the world: from Ladakh to Lisbon, from China to Peru, in the East, West, North, and South, styles in dress, jeans, hair-dos, T-shirts, jogging, eating habits, musical tunes, attitudes to homosexuality, divorce, abortion, have become global. Even crimes such as those relating to drugs, the abuse and rape of women, embezzlement and corruption have become similar everywhere.

But the impression of uniformity can be deceptive. Just as trade, foreign investment and the flow of money has affected only a few regions of the world and left the rest untouched, so this globalization of culture is only partial. It is evident in the towns and suburbs, and the more advanced countryside. The poor in the rural hinterlands, in spite of the spread of transistors and television, have been largely bypassed. And in many lands there has been a reaction to tradition and tribalism. We witness Islamic fundamentalism in the Muslim world. Evangelical fundamentalism is spreading not only in USA, but also in East Asia, Africa, and Latin America. Hindu fundamentalism is evident in India and Judaic one in Israel. It is a reaction against westernization, the alienating effects of large-scale, modern technology and the unequal distribution of the benefits from industrialization. The complaint is that development has meant the loss of identity, sense of community and personal meaning. In Iran we read about the burning of T-shirts with the inscription “Michael Jackson.” Tunisian fundamentalists (the movement à tendance Islamique) have stoned topless European women tourists on their beaches. Algerian fundamentalists slaughter anybody who does not agree with them. 100,000 people have died in 7 years of insurgence of Muslim guerillas against the government.

Hindu fundamentalists in India have moved from attacking Muslims to burning down Christian schools and attacking nuns. Shok Singhal of

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9 Albert Hirschman, op. cit.

the World Hindu Council has said that the award of the Nobel Prize in economics to Amartya Sen was evidence of a "Christian conspiracy to propagate their religion and wipe out Hinduism from the country."\textsuperscript{12} People in many countries assert their indigenous cultural values. This assertion of indigenous values is often the only thing that poor people can assert. Traditional values bring identity, continuity and meaning to their lives.

The difficult task is to build modernity on tradition. Japan has succeeded in this. Traditional consumption habits and community loyalties have contributed to the fantastic economic growth of the country. Neither all tradition nor all modernity is to be welcomed. The repressive nature of both traditional values and structures and modern ones is evident. Tradition can spell stagnation, oppression, inertia, privilege; modernization can amount to alienation and a loss of identity and sense of community. Traditional objectionable practices include slavery, widow burning (sati) child marriage, female genital mutilation. There is no case against interfering with native customs in these cases.

Globalization and Culture

Globalization has brought some undreamed of benefits to some, but others were left out or harmed. Globalization can have any of three effects on the regions outside the Northern centers.

1. They can be absorbed and benefit from globalization.
2. They can be left isolated and unaffected.
3. They can be harmfully affected by backwash effects. Nowadays we read, without blinking an eyelid, of "stagnation" or even "decline" in "developing" countries.

The corresponding policy responses can also be three:

1. Unqualified joining the global economy;
2. Attempts at complete delinking and isolation;
3. Selective gearing into and selective delinking.

My preference would be for number 3, so that the community can benefit from the good impulses, while excluding the bad ones.


Juan Ignacio Vidarte
Director General, Guggenheim Bilbao
Spain

CULTURE, RENEWAL, AND DEVELOPMENT

My presentation is about a very specific way of using cultural infrastructures, and cultural policy to produce or to engage economic development, specifically in an industrialized city or industrialized region. I am going to talk about the Guggenheim Museum Bilbao, which opened two years ago. It is a joint project developed by two public institutions and the Guggenheim Foundation. The project has developed a major art institution in Bilbao, a city with a population of around one million people in northern Spain, which is a country spread between two states—Spain and southwest France.

It is important to understand how the project fits into a conceptual framework. This is a museum based on the premise that culture is a tool for development and can be used as a tool for economic development specifically. We have been hearing today about a number of approaches in this respect. Certainly, this has been a new argument in these last few years in the debate about the social function of art and culture in general and in relation to how public administration and public institutions play in its support. And recently, this argument goes in favor of the public support of culture, not only as a stimulus for creativity and artistic expression for the development of cultural identity, but also in as much as it can serve as a tool to achieve goals which are related to economic development or to overall processes. In this sense, more often around the world and specifically Europe and America, there are cultural-related initiatives which are becoming part of economic development strategies as a factor to encourage cultural and business tourism, as a factor to promote or to bring about an increase in tertiary activities, and as a tool to influence business decisions; in general, as a factor to enhance the quality of life of the citizens of the areas.

And there is underlying assumption in all these initiatives that there is an explicit and symbiotic relationship between the degree of cultural activity of an area and the economic development potential of that same region. Not only because of the reality that culture is an economic
activity, it is an economic activity which produces goods and services that generate employment and provide tax revenues. But also culture may have a significant contribution in the creation of the conditions necessary for economic development. And in this sense, the use of cultural infrastructure in broader schemes of regeneration of economic strategy is regarded as an essential ingredient in these strategies which aim to compete for employment, to attract investments, to enhance an increase in the quality of life of the area.

The example of Guggenheim Bilbao Museum and the city Bilbao is in a way a response to globalization. Bilbao is a city which has a strong industrial base and has been a major economic center in Spain. The industrial recession of the late 70s to early 80s provoked a profound impact on the economy, on the whole economic structure of the vast country, and specifically on Bilbao. And as a response to that, since the end of the 80s there have been efforts by different public institutions and corporate sectors of the area to try to redefine this economic structure, to reposition Bilbao and the vast country, within the new scenario of the next century and within the new scenario of the European Union.

In this sense, a strategic bond. I think it is relevant to understand what role the Museum plays in this. There was an strategic bond developed in 1992 which considered eight priorities. And of those eight priorities, the development and the enhancement of the cultural centrality of the area was one priority considered to be important in future development efforts. Linked to this, there came an important effort from the public institutions with quite large investment in developing an infrastructure plan in terms of improving accessibility, the environment, and the cultural infrastructure level of the whole of Bilbao and of the vast country. This was an important for the area to compete for employment, for growth, for the welfare of the citizens in the next years.

In this sense, and in response to globalization, it was trying to transform a necessity into a virtue by trying to have some cultural infrastructure of a broader than regional scope in its program not possible just with the resources available in the area. By linking the efforts of these public institutions with an American-based institution and nonprofit institution, the Guggenheim Foundation, it was possible to develop a major, contemporary art museum with a European scope in program and in operation. In this sense, the effort to develop this museum was part of this broader scheme and an important tool in reshaping the personality of the city.

A metropolis in the next century will be considered mostly centers for innovation, education, social systems, research, logistics, transportation, qualified labor, production of services, and also centers for culture, leisure, tourism, and sports. In the effort to develop a mid-size metropolitan area which can have an impact in the south Atlantic region of Europe, it is important that the metropolitan area of Bilbao play this role. In this sense, the Bilbao Museum has not only a fundamental part of the effort, but it is also having an effect in the image—as an image projection factor—being developed in the region. It is also having a direct economic impact in the surrounding economy.

As I mentioned before, culture plays an economic role. And to measure this role, first, we conducted a research in the first year of operation of the Museum to quantify the economic impact of the opening of the Museum (October 1997) in the first year of operation. In that first year of operation, almost 1.4 million people visited the Museum producing a direct economic impact of US$210 million in the area; of which about US$70 million were additional tax revenues. This figure, compared with the size of the investment needed to develop the infrastructure which was roughly half of that, gives you an indication of the kind of effect that the new cultural infrastructure has had on the economy of the area.

The Museum is a modern contemporary art museum. As mentioned, it was a joint project since the beginning, including the national government, the regional government of the area, the provincial council of Bilbao, and the not-for-profit private institution, the Guggenheim Foundation based in New York. The ambition of the project is to become one of the major European cultural institutions in the field of modern and contemporary visual arts. There is a permanent collection shared between the Bilbao Museum and its sister institutions in New York and the Peggy Guggenheim collection in Venice. The idea behind this innovative museological concept is that the permanent collection of the Museum is not only shared, but given different venues in a dynamic, rotating installation. Consequently, strong programs of special exhibitions are developed jointly with the other institutions.
The Museum is considered mostly an education tool. It is an institution which in its two years of existence has had an important impact in its community. Its education programs have reached about 150,000 people every year. So, both by developing programs jointly with the education system, as well as programs directed to the general public, but serving this mission of considering itself mainly as a tool, as an instrument for furthering the understanding and appreciation of contemporary culture by the public. It’s a museum, it’s an institution which is oriented towards the visitor. It’s an institution which tries to make its art and its content accessible to the public and tries to bring as much public as possible to the museum so that this mission can be fulfilled. It has received, in its two years of existence, around 2.5 million people, of which about 85 percent come from outside the area and that means that the effect, the direct economic and social effect of the activities of the institution in the surrounding community has been so big and as big as I mentioned before. The Museum is also an institution which is based on the joint shared model. It is managed through a foundation where public interest and private corporation interests are jointly shared. And due to this, it has a level of self funding of around 75 percent, which means, although still needing, around 25 percent of its operating operational budget comes from subsidies from the public institutions, it is able to generate around 75 percent of its income and so, can lessen the effect it has in the public budgets.

To conclude, I think, this is a very specific but relevant example of how a cultural project can be used and can serve as a tool for obtaining additional benefits for its local community, being part of a broader economic regeneration plan. The lesson from this is that ideas like this are possible and achievable if cultural projects are considered as part of broader strategic development efforts and not just as mere icing on the cake.
Session III.

Policies for Culture in Sustainable Development

Session III addresses the factors that countries should consider in addressing culture in sustainable development. What are the challenges among cultural heritage and living culture, culture conservation and culture production, monuments and communities? How should priorities be established among funding culture and other sectors, including health and basic human needs? What are the possible social outcomes of the use of culture as a development tool in other sectors? What policies exist that support the case for investing in culture as a contributor to social cohesion, quality education, creating social capital, and addressing poverty?

The moderator of Session III was Ion Caramitru, Minister of Culture, Romania. His comments can be found in Appendix A.

Kurt Biedenkopf
Minister President, Saxony, Germany

Mr. Wolfensohn said in his remarks yesterday that culture is a basic element in development of a country, of its structures, of its society. Culture, he said, is not an optional extra, but essential. There is no development possible without culture and environment. And the second point he made, which I thought was very important since we are talking about the 21st century, described the scope of the challenge we are faced with by pointing to the exponential increase of the world population. According to the United Nations, the official day when the world population will reach six billion is October 12, 1999. According to the predictions of those who study the development of the world population, we will be reaching roughly eight billion people on this planet 25 years from now. And according to Mr. Wolfensohn’s estimate, 1.8 billion will be living in absolute poverty and roughly four billion will live on a US$2 per day subsistence. Now, 1.8 billion in absolute poverty is a little less than the world population at the beginning of this century. This indeed faces us with a staggering task. And my concern has been for a long time, and is today, how can we cope with this kind of a development and what is the place of culture in this development?

The second element that I would like to start out from was the dialogue at the end of yesterday’s afternoon session between the gentleman from Jamaica and the answer by World Bank Vice President Ian Johnson. The gentleman asked why representatives of poor countries were so little represented in the procedures of the conference, but the real issue that he raised was a question, “Will the World Bank respect and accept the individualities of cultures in the various countries that it is trying to help, and how will this respect influence the programs of the World Bank?” The answer by Mr. Johnson was that ten years ago, this conference would not have taken place. And that is correct. And he then said, and I found this not only sympathetic but very enlightened, “we are learning to understand the new dimension and we are still at the beginning.” And I agree that this conference today gives a remarkable demonstration of what this beginning looks like.

Indeed, non-economic factors, such as culture, sociocultural conditions, were not considered of relevance for economic theory or practice only ten years ago. And this is not only true for the developing world, it is also true for the developed world. When German unification began, the aspect, the ideas, the approach to these new phenomena by West Germany and West Europe was
very much an approach based on economic and financial considerations. It was not an approach based on the cultural dimension of the process. The questions that should have been raised as to this sociocultural conditions in which this unification process would take place were only asked years later when we began to find out that restriction or reduction of the whole process to the economic and financial dimension would be misleading.

To understand this restraint of economic theories, it is important to keep in mind that these economic theories, that the economic approaches to the solution of problems within nations were developed primarily for the western world. And within the western world, the cultural dimension was taken for granted. In other words, people had no reason to consider, when developing these strategies, these economic strategies, different cultural settings.

The problem, however, is that all economic approaches are expressions of certain sociocultural conditions. Every economy is not only economically describable, it is part and parcel of a culture. And the market economy, which is becoming more and more the dominating way of organizing resource allocation and the distribution of resources, making use of resources, and the creation of jobs, is itself an expression of a certain sociocultural development. It includes certain legal systems, especially private law legal systems, a very highly developed individualism, autonomy of enterprise, a certain relationship between a secular state and a civil society, the existence of the middle class, a competitive distribution of resource allocation, and a competitive organization of markets.

Now, all these are not structural problems alone, they are expressions of a long-range development of cultural and sociocultural conditions. What happens if these economic activities, that are shaped according to the criteria I've just mentioned, are transferred into sociocultural environments which do not provide these elements; which do not have a private law system; which over a long period of time did not develop a middle class from which entrepreneurial activities develop, who have not developed the kind of relationship between a secular state and a civil society on which an economic system is based which is primarily driven by market forces, and, of course, a state and a legal system which is trying to domesticate these market forces according to particular sets of values? Now, what happens if these ideas are transferred into societies which operate on different basis? And can these societies cope with the impact of the economic forces that they meet?

If we take serious the respect for other cultures, and if we take serious that culture is the basic element of sustainable development, then we must do more than try to integrate cultural conditions that we find in developing countries to conform with economic requirements. In other words, the integration process cannot be a one-way street; it has to be a two-way street. But we have to develop theory for the other direction on this street. We must be willing to include our economic activities in the process of integration. That means finding ways to make economic activities compatible with existing cultural conditions. This, to me, is the most important task for policies for culture and sustainable development. In other words, we have to learn to adapt economic processes to existing cultural and sociopolitical conditions.

Now, the final question I would like to raise: why should western countries do that? If we assume that countries formulate their policies on the basis of national interest and the activities on the basis of national interest, and that includes providing money for the World Bank. Then, we could say with the old saying, "who pays for the music calls the tune". Now, that certainly would not fit with what we are trying to do. And so, what happens if the music I pay cannot play the tune I call? If two things do not fit together, why should I pay then? And many people in the developed world would like to have this question answered.

Mr. Wolfensohn pointed to the population explosion, and I think the key is not only in the value system but also in the interest, in the national interest of developed countries because the survival of developed countries on this planet is also determined by the capability of developed countries to cope with the population explosion in the 21st century. We have two alternatives: share knowledge, capital, resources, cooperate on an equal basis with all the countries and this is the vast majority of the world population. Share our knowledge as the important factor, the growth of intelligence in the world is the most important growth. Or we can try to wall us
in and exclude ourselves from this development. Now this walling in will not work. We only have the alternative of either sharing knowledge, capital resources, cooperate on an equal basis, respect the culture of the vast majority of the population of this planet, and try to develop synthesis between economic requirements and these cultures as we have developed synthesis with economic requirements in our own cultures, or the developed countries will drown in the population explosion.

Europe, in particular, is challenged, because Europe is not an island. Europe is in the middle of the process. Europe faces Africa. Europe is responsible for the Mediterranean Sea. And if Europe does not make a contribution to the solution of the problem we're faced within the 21st century, it will, in turn, destroy its own value system because it will not be able to exist in a world where the vast majority of the population is deprived the very basic needs that are required for human life.

So, we have both a moral, an ethical and an existential reason for doing what President Wolfensohn suggested in his speech, which I thought was a theme-setting speech for this conference—a better one I could not have thought of.

Susan Waffa-Oggo
Secretary of State for Tourism and Culture
The Gambia

The topic, policies for culture in sustainable development, is quite an interesting one which is increasingly gaining attention in various fora around the world. It is increasingly becoming quite evident that one cannot truly talk of development or, better still, sustainable development without taking into account the cultural dimension. Indeed, the end product of any development program is ultimately linked to the benefits and happiness that people or societies derive therefrom.

In short, the success or failure of any development program can be gauged by the extent to which it has brought about the enhancement of a people's culture, their way of life, and their yearnings and aspirations in a sustainable manner. It is therefore imperative that when governments, nongovernmental organizations, and other agencies formulate development projects and programs, the cultural ramifications and drawbacks are adequately taken into account if sustainable development is to be assured. This is especially true of developing countries where societal norms and values are deeply rooted in traditions and philosophical beliefs that people have held for centuries; where breaking from age-old practices and taboos to embrace new ideas or modern ways have at times been met with apprehension or disbelief and, in some instances, with some degree of resistance.

There is no doubt however that in spite of this phenomena, developing countries—notably those in Asia, Africa, Latin America, and the Caribbean by virtue of colonization and closer contact with Europe and America, particularly at the beginning of this century and indeed through the adoption of the educational systems of their former colonial masters—have absorbed some western values and civilization, including the introduction of modern technology for development. This cross cultural milieu has in no small measure brought closer the countries of the world.

Increasing globalization and the recognition of the need for the improvement of the living standards of the poor masses of the world against the backdrop of cross cultural interaction, understanding, and co-operation, lends a
Culture Counts

pointer to the linkage that inseparably bind culture and development. Over the last 30 years or more, an increasing number of governments—thanks to encouragement and support by UNESCO—have instituted policies that are aimed at the advancement of the culture of their peoples. Recently, it is being recognized more and more that economic and social development should go hand in hand with cultural development; culture has a beneficial effect on the means of production available and on man himself.

The march of economic progress is generally reflected in the cultural sphere and cultural activity stimulates economic life. Sustainable development can only be achieved therefore when the cultural factors that enhance or militate against development are fully taken into account during the process of formulating development plans and proposals.

In The Gambia, and indeed for most if not all the developing countries, we find ourselves caught up in two worlds. On the one hand, we want to modernize; to improve on the living standards of our people and to contribute to world peace. On the other hand, there are philosophical beliefs that, over the course of centuries, have been the foundation on which society’s norms and values have been built and which have helped to shape people’s attitudes, ways of life, government and economics. It is not all of our societal norms and values, customs, beliefs that can be said to enhance development, but there are those that have helped to keep our people together for centuries and are such an important value system, that in spite of increasing modernization and development, they need to be preserved for posterity.

I believe this is where the equation lies, showing that development is inextricably linked to the people, for whom it should bring some fulfillment in life and thus improve upon their living standards in a sustainable way.

Isn’t it interesting to note that topical issues in the world today which have attracted the attention of nations, big and small (poverty alleviation, the environment, population and housing) and for which substantial resources are provided by the international community cannot be thoroughly discussed, understood and developmental strategies formulated, without the consideration and inclusion of the cultural dimension. If this paradigm is anything to go by, it further underlines the fact that sustainable development cannot occur without the inclusion of the cultural factors in the development process. Culture, cutting across the broad spectrum of national life, is therefore a factor in development that can neither be ignored nor downplayed in the quest for the attainment of developmental objectives or aspirations.

Cultural policies must therefore be based on the quest for developing our communities in all its ramifications and in the quest for peace throughout the world. Indeed it is no coincidence that UNESCO has declared the year 2000 as the year of the culture of peace. UNESCO, through its various bodies, continues to provide funding to the cultural sectors of member states in our collective efforts to preserve the world’s cultural heritage. The World Bank likewise recognizes the importance of culture in sustainable development, and here, I would like to express the gratitude of the Government of The Gambia and that of the Gambian people to the Bank for its intervention in The Gambia’s cultural sector.

The cultural heritage of any people has two distinct features: physical and non-physical cultural heritage. The physical, often referred to as the material culture which is sub-divided into the movable and immovable, are intangible evidences of the history of the world that need to be preserved for posterity. The heritage sites of the world, a good number of which are found in developing countries, need to be preserved by any means. Some of these sites are considered endangered. In The Gambia for instance, Fort James Island which played a pivotal part in the transatlantic slave trade is listed by World Monument Watch-USA as being among the world’s one hundred most endangered sites. This particular site is a popular spot for students, researchers, and tourists and with its surrounding old villages is a focal point of the country’s annual international Roots Homecoming Festival which is being increasingly attended by Africans in the Diaspora whose roots lie in Africa.

The Gambia’s cultural policy calls for the preservation of such sites because of their historical, cultural, and economic value. However, it is common knowledge that poor developing countries such as The Gambia cannot afford to make the development of culture a priority in the face of hunger, disease, and in some countries, war.

The development of agriculture, education, health, tourism, the environment, and communi-
cations become the focal points of attention. Yet substantial resources are needed to restore, develop, and preserve such important historic sites as Fort James Island that I mentioned earlier. The economic values of such historic and cultural sites can also only be fully exploited when adequate resources can be made available to meet their basic restoration and preservation requirements, thus ensuring their development on a sustainable basis. Herein lies the need for partnerships between the north and the south, between associations of culture, between institutions and international organizations so that an international and collective effort is made to restore, preserve and develop the cultural heritage of the world.

The non-physical aspects of the cultural heritage encompass the volumes of song, dance, stories, poetry, drama, writings, music, paintings and so on. Our peoples who have sought vocation in these areas and the host of artisans and like manner of artists and their families, whose survival primarily depends on their art, need to be supported, for indeed they play an important part in our national economies and, for some, in the development of technology and in industrialization.

Again, the scenario in poor developing countries, such as The Gambia, is that while cultural policies advocate for the development of these vital areas of the cultural heritage, there are not enough resources being pumped in through either public or private sources. Culture is a part of the national anatomy. Like the human body, when one part is diseased, there cannot be a claim to economic growth and happiness of the people.

Now I wish to focus attention on the very strong link that exists between tourism and culture. It is an indisputable fact that culture enhances tourism. The Gambia which is a popular tourist destination is so not only because of its warm climate and white sandy beaches, but also because of the myriad of cultural attractions that the country offers. As a result, tourists can travel to the interior of the country to have a glimpse of historic sites and cultural monuments, and to appreciate the diverse culture of the rural populace. Cultural tourism is therefore a cornerstone of The Gambia’s cultural policy, for indeed it is realized that the inter-marriage between culture and tourism have resulted in no small measure to the sustainable development of the tourism industry. Thus artisans, musicians, dancers and a host of others in the Gambian community derive tangible benefits from the industry.

It is interesting to note that World Tourism Day this year which fell on September 27 had as its theme “Preserving World Heritage for the New Millennium”. The joint message of the Director General of UNESCO and the Secretary General of the World Tourism Organization underlines the need to preserve the cultural heritage of the world; and for effective partnerships between the private sector and public authorities and stakeholders at the local, regional, national, and international levels be forged. This in turn can maximize tourism’s positive contribution and minimize its potentially negative effects on the cultural environment.

In effect, cultural policies are meant to provide the framework by which national economic life can be stimulated and enhanced, for after all, economic success is geared toward the improvement of the lives of people in a sustainable manner. Can we then talk of development without including the masses of our people, studying and understanding their culture, and the need to integrate that culture in the development process? Isn’t the culture of a people the hub of the wheel of their development aspirations? If the answer to the first question is in the negative, and the second in the affirmative, then I implore this conference to consider evolving various strategies and to adopt measures that will further expand the scope of assistance and the mobilization of much needed resources that will further enhance the development of the world’s cultural heritage. In many instances, the situation calls for greater assistance (material, technical and financial) to these countries, so that economic development can be more meaningful and harmonious with cultural advancement. Otherwise, cultural policies become meaningless and empty rhetoric, devoid of the ingredients that are crucial to their practical execution for national development.

As we stand at the threshold of a new millennium, let us resolve to answer to the cries of our people, their yearnings and aspirations by increasing resources that will help countries develop their cultural heritage, by sharing information, by the consideration and inclusion of the cultural variables in the development equation. These measures are a sine qua non to the achievement of world prosperity and world peace. It is only by
developing the cultural heritage of the world and the encouragement of cultural exchange within the context of international cultural co-operation and through it, to appreciate, understand, and respect each other's cultural characteristics and values that there can be sustainable development and lasting peace in the world. The new challenge therefore is the ability of the world to integrate development with culture and the attainment of total peace throughout the world, free from anarchism and war, poverty and want, hunger and disease, illiteracy and ignorance.

In my view, this conference, which in itself is both unique and historic is a giant step towards the diagnostic and prescriptive path that will usher in a new sphere of active collaboration, cooperation, partnership, and assistance that will ensure the sustainable preservation and development of the world's cultural heritage. Let us all leave this beautiful and historic town of Florence with renewed determination and zeal to foster economic and cultural advancement for our peoples in a way that is unprecedented.

**Martine Tridde**
Secretary General, Paribas Foundation
France

Thank you for welcoming in your midst this object that is not always clearly identified and which I represent here today: corporate sponsorship. I am aware of the fact that this is but one of many issues in relation to the synergetic links which you seek to establish with the private sector. However, I do wish to focus my comments on the bursting onto the artistic, cultural and social scene of this debutante—at times faltering—actor, who is nonetheless infinitely eager to "do well", which is often the worst thing of all and alternately referred to as patron, sponsor, or partner.

These thoughts I shall expound in a dual capacity: as someone with 15-year practical experience in the field, through my work at Fondation Paribas, but also as an observer and activist for a cause that we all cherish: bringing business and culture closer together, but not at any cost!

I admit I was rather tempted to give you a presentation in the guise of a variation on the theme: "Don't worry, be happy, it's easy". It would have indeed sufficed to suggest a few simple rules of conduct for all seekers of sponsorship.

* Set up an attractive legal and fiscal framework;
* Whenever you get a chance to do so, never miss an opportunity to remind the CEO of a company how beautiful, strong and powerful he (as we all know, more often than not it would be a "he") is, and how he could be even more so if his company were to join the circle of the great corporate sponsors;
* Be sure to present clear applications of a maximum of 5 pages, along with a budget;
* Emphasize what you are offering in return;
* If you are able to show that such returns would lead to some form of business fallout, then I would say you are about to hit the jackpot.

But, here I am, having resisted the temptation of the generally accepted views: "Don't worry, be happy, it's not that easy".

It is precisely because these things are neither simple nor easy that they deserve our undivided attention, if we hope to be able to contribute to an endeavor that is so paramount to our future: bringing together two realms that are so removed from each other and yet stand to benefit so much from their differences. This is truly
about two worlds that know so little about each other but yet stand to build so much through a common project, in subtly balanced environment. An environment where the corporate side adorns an aura of talent to which it is not generally entitled, and the artistic partner finds the means to express his or her own talent.

While money is the sinews of this relationship, it should not be its essence. This, in fact, is where the problem generally lies. I, for one, am convinced that this aspect can be overcome. At any rate, it is in this spirit that Fondation Paribas, about which I shall now say a few words, has been carrying out its activities.

At the beginning of the 80s, Paribas came under the spotlights because of the prevailing economic and political contexts. Well-known within the financial community, the bank decided to restructure and strengthen its communication, which had until then remained rather discreet. The strongly-held view within Paribas is that a cultural and social dimension ought to enrich the company’s image and complement its actions geared towards its traditional targets. A genuine sponsorship policy, set up in the long run, seemed like the right answer to this need; 1984 saw the birth of Fondation Paribas.

The specific direction which such policies should be given had to be addressed. For a company whose “raw material” is money, there was a great risk that such direction should be essentially about money. For someone like myself, who is not a banker but feel a genuine connection with bankers, the task of defining such a direction involved keen observation and careful listening. It seemed to me that the way in which bankers perform their jobs, their ability to react, and their capacity to take risks could make up the vital lead for what has now become our modus operandi.

After all, banks do business with other people’s money, and must give it back at some point; generosity is generally not on the professional agenda of bankers. However, bankers can easily demonstrate that their know-how may apply to areas outside of the financial world.

This is precisely the ambition of Fondation Paribas: to convey the essence of the banking profession, its know-how and values; in short, to convey the essence of the personality of Paribas Bank on a different mode, and encompass circles that are larger than the business world.

Listening, exchanging ideas, launching and promoting new projects, mobilizing alliances—a banker’s job requires equal measures of rigor, openness, intuition, and imagination. Fondation Paribas operates in much the same way. Its budget, which is of the order of $1 million a year, is relatively modest compared to the one set aside by many other companies and may even seem derisory to you. However, in addition to financial support, Fondation Paribas devotes a great deal of time and a significant amount of logistics to its partners. Fondation Paribas involves itself in a great deal of field work and uses the bank’s worldwide network of partners and contacts to help implement and promote the projects it supports. Indeed, Fondation Paribas finds its identity in its capacity to take the specific nature of each partner into account, and in its ability to vary its approaches.

An intentionally limited number of projects implemented on a long time scale, a sense of commitment and loyalty that stands the test of time along with unflagging curiosity and continually revived boldness: such is the alchemy that, at our modest level, we try to nurture in order to overcome boundaries.

The programs or personalities supported by the foundation move about in very diverse realms and reflect the diversity business specialty areas of Paribas Bank. As such, artists, doctors and museum curators are made to cross paths with humanitarian aid workers, blending their diverse styles, sensibilities and cultures.

For us, making the treasures of the Museums of France better known is as important as reviving a musical heritage, in the heart of the Latin America, which was thought of as lost forever. This is clearly evidenced by our firm commitment, since 1992, to the Baroque Pathways program carried out under the initiative of the K 617 recoding label, which led to several cultural cooperation programs with Mexico, Argentina, Bolivia, Brazil and soon Cuba and Colombia.

For us, it is also equally important to support creators such as Gérard Garouste, Jean Michel Bruyère or Caesar Brie. All three endeavor to restore hope and dignity to those on whom we no longer dare to cast our eyes, forgetting along the way that one first dies from isolation before succumbing to hunger. All three artists share the same goal through their own organizations, the first one in France through an organization called La Source, the second in Senegal with Man
Keenen Ki, and the third in Bolivia with Le Teatro de Los Andes. They teach us, better than any economist’s report, that the fight against poverty deserves our undivided attention.

From this long introduction, I would ask you to remember simply one thing: Fondation Paribas is but one example among others of the immense variety of approaches adopted by companies who have become—whether through a conscious effort or not—full-fledged players within the multidirectional initiatives that have become the hallmark of cultural life.

What are these companies ultimately seeking to achieve? Quite simply they seek to be loved! Yes, I am the messenger of Love.

Were it not for such need to be loved, would these companies dedicate their resources and time to areas beyond their direct responsibilities, which are, namely, to continue to exist, produce goods or services, and maintain jobs.

Commitment to causes of public interest should in no way be viewed as an additional obligation for them. Rather, it should be considered as a free act that each company carries out according to its capabilities, convictions, and the pressure exerted by its shareholders, who may be more or less inclined to accept the principle that value-creation should not be limited to the reaping of profits.

The best way to discourage the involvement of private companies is to give them the impression that their intervention in this area is their duty.

Granted, the kind of love I came to speak of is not always platonic or completely disinterested. But could anyone blame them for seeking to enhance their image with an “emotional plus” through their contribution to making their business environment a better balanced one, and for their efforts to grease the cogs wheels of their machinery, fill a few open gaps, or even more simply to plant some seeds of hope and creativity?

I hope my words are not perceived as naïve. In my position I am all too aware of the fact that bankers are scarcely naïve. However, I hope that this incursion of private companies into areas beyond their competence is not diabolized either.

Rather, my hopes are that such companies are accepted as such, with their weaknesses and the qualities inherent to the way they operate, that is initiative, creativity, flexibility; with their ambiguities and their sincerity; their financial means and even more so with the wealth of their human resources. Indeed, in this regard, it is necessary to emphasize that sponsorship may no longer be thought of as the exclusive privilege of large corporate groups. There are no small vs. great or powerful vs. weak, in this realm. Rather, this is all about conviction, openness, willpower, and pride. These values have little to do with the economic and financial status of companies. They stem essentially from the duality of the men and women who are behind them.

In what way could you contribute to enhance those potential resources? First of all, as paradoxical as this might seem by setting up clear, transparent, responsible and firm, cultural and social policies. The more coherent these policies, the easier it will be for you to find active, committed, constructive and confident partners from the other side. The greatest fear companies have is that their commitment to sponsorship may lead to government disengagement.

Dysfunctional administrations and organizations encountered here and there, along with their bureaucracy, their overlapping responsibilities, the heavy yoke of their set ways, which inevitably leads to indifference to innovative and creative approaches, can hardly be stimulating for us. I hope you will forgive my frankness in this regard, but I am all too close to this reality, particularly to the way it affects artists—these poets and visionaries essential to our survival— to miss this opportunity to act as a spokesperson for a change in these matters.

The other way to enhance these potential resources is simply to take into account and recognize the efforts, however modest, which are made by companies. Such consideration involves both tax incentives and suitable legal frameworks. Recognition involves establishing a genuinely open dialogue. Such dialogue already exists between private companies. However, we seldom have the opportunity for such exchanges with you.

The number of national associations for the promotion of sponsorship has increased greatly. This led to the their grouping within Europe into the ECBC, the European Committee for Business and Culture. These organizations are essential to the rekindling of the flame of current patrons, and the enrollment of new ones. They are a gold mine for ideas, information, know-how, contacts and communication. They need you. They both opened up for a better understanding between us will be repeated, fruitfully
multiplied, and that it may especially impel the founding of other groupings of such organizations in other countries.

Once again, thank you for having taken another step on this road along which we still need to walk toward each other. However let us not forget an important principle: good words alone do not make good literature; and they can hardly serve as a basis for good cultural policies. Cultural policy should no less be treated as a mere addendum to social policy or be used as an offshoot of economic policy. Doubtless such policies ought to cross paths at several check-points. However, such convergence should never be permeated by a spirit of aid handouts and even less of commiseration.

It is from Ibrahima that I shall borrow the words to conclude this presentation. Ibrahima is about 14 years old; in fact, he does not know his exact age. For over 8 years, he had been a vagrant child wandering the streets of Dakar before finding refuge in a center beautifully named Man-Kennen Ki—I, the Other. This home and school was set up by a group of French and Senegalese artists. Ibrahima began writing as he started to rediscover life. Here is what one of his poems, naturally a poem without a title, tells us:

Sometimes
I invent ancient chants
In a language that does not exist.
And I walk the streets
With my chant.
From thence I cast my eyes upon all
As if all was a very ancient elsewhere
Where I would have my own space
Where I would be known to all.

Sheila Copps
Minister of Canadian Heritage, Canada

Mulțumesc foarte mult, domnule Ministru Carămîtrî. (Romanian)

All of us appreciated the comments of Secretary of State Waffa-Ogoo on Gambia’s need to be very constructive with every dalasi it invests.

Madame Tridde a ajouté à la discussion en abordant cette question vitale d’un point de vue essentiel et apolitique.

Ion Caramitru è la prova vivente del valore della cultura per il progresso delle nazioni.

Ha figurato in oltre 60 rappresentazioni teatrali in Romania, ed è tra le straordinarie figure culturali che guidano, ed hanno guidato, la rivitalizzazione politica, economica e sociale dell’Europa centrale ed orientale.

Questa generazione ha abbracciato i principi della democrazia, mettendo da parte il soffocante totalitarismo dei regimi comunisti.

Questi artisti, messisi al servizio dei cittadini, comprendono che la cultura definisce la vera identità di un popolo e che lo sviluppo culturale è strumento per il miglioramento del livello di vita di un popolo.

Questi nuovi leader sanno quale importanza vitale riveste il rispetto del patrimonio complessivo di una nazione e fanno propria la sagace affermazione di Winston Churchill che “quanto più ci si guarda indietro, tanto più si potrà vedere in avanti.”

That’s a classic example of why culture matters. Cultural leaders with their passion can bring about democratic reform. But, I’ve met with culture ministers from around the world. And I understand that from many countries you ask yourselves, “How can I afford to invest in culture when there are so many other pressing needs?” Fellow ministers say to me: “Sheila, what about health care? What about poverty? What about education?” And believe me, I know the situation in Canada is different from many countries. I know we are a fortunate country.

But let me tell you, 70 years ago Canada had soup kitchens. We had tens of thousands of homeless in the streets. We had huge poverty. We had massive unemployment. And it was at that time, the time of the Great Depression, that the Government of Canada began to invest in culture.
Culture is the identity of people.
Culture is the Soul of people.
Culture creates jobs.
Culture creates opportunity.
Culture creates hope.
Culture creates progress.
Culture brings people together.
You need to feed the Health of the individual.
You also need to feed the health of the nation.
Every great civilization in history passes down to us one thing—its culture. Every great society in history has nourished its people through culture. What did our ancestors leave to us that is permanent? Culture.

Human beings have stomachs and they must be fed. Human beings also have hearts and minds and eyes and ears and all of those, too, must be fed. And they can only be fed through culture.

Poverty of the soul is as great a disease as poverty of the body. What raises human beings above all other creatures is culture.

What makes some societies flourish and others perish is culture.

What makes some societies succeed through the millennia is culture.

Everything we value from the past is culture.

Qui a Firenze ci troviamo circondati dalla straordinaria fioritura del Rinascimento: Michelangelo, Da Vinci, l'arte toscana, Santa Maria del Fiore.

Questa meraviglie richiesero l'incoraggiamento del governo del tempo e pertanto costituiscono importante riconoscimento del ruolo dello stato nell'incoraggiare la cultura, senza controllarla.

Qui a Firenze possiamo anche vedere i benefici economici che derivano dagli impegni presi a favore di una nuova generazione di artigiani.

Ci rendiamo conto anche dei benefici che derivano dalla conservazione del passato—benefici in termini di qualità di vita, in termini di tempo libero, in termini di gettiti turistici. E in termini di sviluppo sostenibile.

La cultura è il complesso dei tratti spirituali, materiali, intellettuali ed emotivi che contraddistinguono una società.

Cultura vuol dire patrimonio che forme espressive viventi.

La cultura definisce l’anima di un popolo.

Alla Banca Mondiale, all’UNESCO, ed al nostro ospite, il Ministro Dini, va il nostro sincero apprezzamento per aver riconosciuto il rilievo delle della cultura ed aver organizzato questa conferenza così importante.

May I pay special tribute to Federico Mayor and James Wolfensohn for their preeminent leadership in working to ensure that culture is more and more integrated into all international work on development. Cultural production and consumption have ever increasing potential for economic returns.

In one decade, jobs in Canada’s cultural industries grew by 32 percent compared to a 12 percent growth in our population. Cultural industries have the power to enable citizens to communicate with each other, to educate each other and themselves, to shape common goals and build common pride. Confidence in the security and potential of one’s own culture is a bulwark against xenophobia and cultural paranoia.

More than 150 years ago, the brilliant essayist Thomas Carlyle wrote: “The great law of culture is: Let each become all that he was created capable of being.”

At the International Meeting of Culture Ministers in Mexico two weeks ago, we agreed on the undeniable value of culture in the formulation of social, economic, and sustainable development policies.

For Canada and for Canadians, our work is guided by the singular tenet that culture is as central to our being and to our existence as the land, lakes, rivers and majestic mountains that form the space we occupy,

Pour le Canada, la culture ne se limite pas seulement aux arts.

Elle comprend notre patrimoine collectif, qui regroupe tant nos édifices architecturaux que notre environnement naturel.

Elle inclut également notre magnifique réseau de parcs nationaux et de lieux historiques nationaux.

C’est aussi le sport qui est une expression culturelle qui rassemble les gens et offre une voie de développement aux jeunes.

Notre caractère multicultural et notre bilinguisme sont aussi des composantes essentielles de notre culture, de même que la radiodiffusion, le cinéma, l’édition, l’enregistrement sonore et, depuis la dernière décennie, le multimédia.

Le Canada est le premier pays à avoir reconnu officiellement son caractère multicultural, et nous en sommes fiers.
Nous voulons que tous nos citoyens et citoyennes préservent et célèbrent leurs origines.

Nous voulons aussi qu'ils apportent un élément dynamique aux relations que nous entretenons avec le reste du monde et entre nous. Je vous avouerai bien sincèrement que le Canada tire profit des liens d'amitié qu'ils tissent aux quatre coins de la planète.

Notre vitalité et notre diversité culturelles ne sont pas le fruit du hasard. Elles résultent de l'engagement des gouvernements successifs, de toutes allégeances politiques, à créer des conditions favorables à notre expression.

Notre objectif est clair: favoriser la cohésion sociale.

Nous voulons former une société dont les membres ne sont pas étrangers les uns aux autres; une société où les citoyens et les citoyennes se parlent, s'écoulent, s'entendent, se comprennent et s'apprécient mutuellement.

And let me reiterate. Canada began devoting significant resources to our own cultural development during the great Depression of the 1930s. As with all great undertakings, the payback does not come in the form of instant gratification. It comes in the form of long term, sustainable development and success.

In Canada il governo ha un quadruplice ruolo:
• avere funzioni di leadership e mostrare un impegno di lunga scadenza;
• fornire un ambiente in cui possano fiorire le variegnati componenti della nostra cultura;
• fornire supporti di vario ordine, tra cui quello economico, per portare ad attuazione gli obiettivi canadesi;
• costruire alleanze in ambito nazionale ed internazionale.

A questo scopo utilizziamo vari strumenti di direttive politiche che vanno dal finanziamento diretto, a regolamentazioni sui contenuti della programmazione radiotelevisiva e sull’assetto proprietario dell’editoria libraria.

Ad esempio, nel dare la licenza ad una rete televisiva, richiediamo che il settore privato invista in contenuti canadesi e richiediamo un rapporto di distribuzione di un canale canadese per ogni canale straniero.

Nous venons tout juste de terminer de brancher toutes les écoles, les bibliothèques, les collectivités rurales et les communautés linguistiques en situation minoritaire du pays au réseau Internet.

Cette initiative offre des possibilités extraordinaires aux enfants inuits et dénés qui habitent au-delà du cercle polaire. Nous avons choisi d’investir des fonds publics pour que ces enfants puissent partager leur culture et apprendre des autres cultures.

Au moment où je vous parle, des dizaines de langues disparaissent chaque année dans le monde.

On compte 54 langues autochtones au Canada, et nous sommes déterminés à les préserver et à les nourrir.

Cette année, les Canadiens et les Canadiennes ont redessiné leurs frontières nationales pour établir un tout nouveau territoire, le Nunavut, un espace géographique gouverné par nos Premières nations. Et nous y sommes parvenus sans que cela ne crée de remous politiques.

Nous avons aussi inauguré un réseau de télévision destiné aux peuples autochtones. Il s’agit d’une première mondiale.

Grâce à un cadre de réglementation et à un appui financier du gouvernement fédéral, les peuples autochtones peuvent se servir des nouvelles technologies pour renforcer leurs cultures et les mettre en valeur.

Parallèlement, ce projet améliore la compréhension interculturelle et donne aux peuples autochtones les moyens de solidifier leurs assises et de contribuer à l’évolution du Canada.

Our policies are premised on offering freedom of expression for creators and freedom of choice for consumers. As well-known Canadian environmentalist David Suzuki puts it: “Diversity confers resilience, adaptability, and the capacity for regeneration.” As I put it: Cultural diversity is important as biodiversity for sustainable development. Governments cannot, of course, and should not, of course, make all the decisions.

In Canada, we are working hand in hand with cultural institutions, the private sector, a range of NGOs, educators, creators, other levels of government and volunteers. We intend to do even more both domestically and globally. In December of 2000, Canada will host the first ever World Summit of Arts and Cultural Institutions. We need to hear the voices of their leaders in these
vital international discussions. I more than wel-
come participation from all of your nations.

By vigorously promoting cultural policies in
Canada, we are actively helping to create good
jobs and solid incomes for 600,000 Canadians
and their families. At the same time, we are help-
ing to create greater understanding and mutual
respect among our citizenry.

C'est pourquoi le Canada croit en l'impor-
tance d'encourager tous les gouvernements à in-
vestir dans leur patrimoine culturel.

Et c'est pourquoi nous sommes d'accord avec
les efforts de la Banque mondiale afin de redéfi-
nir les politiques de prêts en vue d'aider les pays
e en voie de développement à créer des cultures
fortes qui favorisent la cohésion.

Leurs assises économiques et sociales n'en se-
ront elles-mêmes que plus fortes et davantage
orientées vers la cohésion.

Nel più ampio senso possibile, il Canada cerca
attivamente voci influenti, governative o meno,
che contribuiscano a dare maggior risalto alla
cultura tra le varie priorità, e a mettere la cultura
al centro del processo decisionale.

È un compito enorme. È un compito che rich-
iede tempo.

Ma col tempo, attraverso la promozione della
diversità culturale, attraverso il sostegno
dell'identità culturale e attraverso iniziative che
dimostrino che il mondo è aperto a tutte le influ-
enza culturali, potremo fare del mondo un luogo
migliore.
Session IV provides a forum for the multilateral development banks to discuss their policies to support sector policies and investments in culture. The session presents best practice cases with a strong development impact. Presentations will be made both of policy papers and projects, with some assessments of how financing culture can affect a country’s economy, reduced poverty, improved social cohesion, urban and/or rural development, and education. Among the issues discussed are the following:

- Do you have no harm policies?
- What made these cultural projects successful?
- What lessons can be learned from these success stories?

This session was moderated by Natale D’Amico, Under Secretary of State, Ministry of Treasury and Budget, Italy.

Since culture is intimately linked to long-term development, I am glad to offer some thoughts from the perspective of the European Bank for Reconstruction and Development (EBRD). Let me begin by reminding you of the purpose of the EBRD. The Bank began its operations less than ten years ago in the wake of the fall of communism in Europe. It is a transition bank; it is not a development bank like some of the other institutions represented at this plenary sessions. And it was created to foster the regime change, namely, the transition from dictatorship to democracy and from central planning to the market in the eastern half of Europe. So far, EBRD has had a third degree of success in promoting democracy in the market in its regional operation. We have committed almost $15 billion of our own resources and we have mobilized over $31 billion from sponsor money. We are therefore the largest single investor from Eastern Europe to Far Eastern Siberia, which is an area covering 12 time zones, 450 million people, and 26 countries.

Since EBRD is succeeding in transferring so much money and so many resources to the countries of operation, has the Bank succeeded or at least has it contributed to the development of culture, which is the theme of this conference? I will focus on this theme. I shall use three arguments. First, the specificity of the European Bank and especially the fact that working mostly with the private sector and often with individual investors, it keeps its ears to the ground. In this respect, the EBRD is better suited to understand and assist social culture and development than other institutions that work prevalently with government and with the public sector.

The second point I shall address is the fact that by concentrating on privately funded investment projects, our Bank gives priority to balance sheet result and, generally, to the generation of income. The promotion of culture is not part of the Bank mandate. The striking question therefore is inevitable in the context of this conference. By promoting economic betterment and the pursuit of profit, does the Bank help or does it hinder cultural development? This is the key question, and I will address it.

Third, as a partial answer to this, I shall explain how the EBRD is also heavily involved in what we call institution building, thus offering people a chance to defend and promote their way...
of life. In other words, to defend and promote their culture.

I shall first focus on the Bank’s relationship with culture. At first sight, the EBRD takes no direct action to support culture. It does not fund the arts nor restore monuments nor provide grants for orchestras or universities. We have no cultural programs or projects. As such, we have no soft windows. Instead, we work with the private sector aiming to create entrepreneurship and wealth. Through our investment, EBRD helps to create the basic condition for a modern state, contributing to the transformation of a previously centralized totalitarian regimes into open market economies based on private property, the rule of law, and political democracy.

This leads us to the tricky question: can the advancement toward economic stability and civil society lead to conditions where culture can flourish? History has proven over and over again that because of its nature, culture can survive extreme conditions. Think of the Incas, think of the Aztecs. It did even so under communism when despite hardships and repression, people continue to practice their own culture whatever the reprisals. They published literature on the ground, they practiced religions in cellars, they spoke their own languages and dialects secretly at home.

If culture can survive such hard conditions, can it truly flourish once economic prospects improve; and if the promotion of economic growth is the main goal of international financial institutions represented here, can we say that by our direct and indirect action we do help flourishing of culture. My first point is that by keeping in touch with people with individual investors and small-sized companies, they keep the culture alive and indeed contribute to it. At least in the sense that it provides the necessary conditions for its development. Moreover, by promoting multi-party democracy, they promote freedom of expression, which is the foundation of culture.

Let me prove the point. By providing resources and assistance to the private sector, EBRD gives people the opportunity and motivation to work and own property, to take risks, and to opt for business opportunities within the context of well-governed institutions. For example, and we are very proud of this, EBRD has extended loans to more than 60,000 small- and medium-sized enterprises throughout its region of operation, especially in Russia. These loans make a major contribution to the development of a backbone of striving, small property economy, thus offering families and their businesses a chance to shape their economic destiny. By working with such a great number of individuals and their enterprises, and I stress the word “individuals” not state-owned properties, EBRD knows what goes on in these countries and promotes their aspirations. Other example of direct EBRD support to cultures are of our projects to sustain tourism, especially of historic sites, to revitalize in the city real estate properties, and to fund loans to merit-worthy students.

The European Bank never embarks on any investment project without full environmental investigation. Built into every project are measures to mitigate existing environmental damage and to prevent it reoccurring. These investigations are conducted in consultation with local people and organizations in full respect of the indigenous culture. In several projects aimed at exploiting resources—a difficult sector, environmentally speaking—EBRD has taken care to avoid disrupting the local rural and handcraft industry and thus preserves traditional ways of life. In many instances, projects have resulted inside initiatives often sponsored by business clients aimed at the betterment of ancient sites, occasionally entire villages and historic buildings.

Let me continue my reasoning and stop the advertising. If economic development is a necessary condition for the promotion of culture, the point I raised before, is it also sufficient condition? The argument becomes a bit more difficult, because there is a recognizable danger. My second argument, and can be called the flip-side of the coin, if you want, is that economic modernization entails competition, globalization, and the general drive toward profit maximization. This involves applying and living with foreign trading practices and business behaviors, which can overwhelm and at times even replace traditional local activities. Strong corporate and better performing economies, most foreigners, tend to impose the lifestyle upon weaker players, which are mostly nationals. Many people feel, and we are very aware of this, that traditional values may be lost amidst this influx of new ideas often replaced by materialism. Increased wealth is seen by inspiring the wrong values. Once consumer choices have widened greatly, people
tend to spend their money on costly imported items and spending habits. Some perceived this as a negative phenomenon. The view is that little money or little imagination, or even little interest, are left for culture when people prefer luxury cars, fancy things, and designer clothing, instead of books, theaters, or museums.

This may be a subjective view perhaps, but we have to take it seriously. As it is true that once borders open up and trade starts—investment trading in goods and services—traditional cultures face stronger pressures than in the past. This is a fact. At worse, materialism leads to crime and corruption as the temptation to increase one’s wealth knows no limits. Culture definitely under these conditions and in this scenario can be threatened.

One of the foremost writers of the former Soviet Union and an excellent dissident at that time, recently over dinner commented to me that “transition has demolished our culture”—transition to freedom and private property I mean. His argument was that the communist state did provide law and order and a certain amount of money for certain cultural activities—those approved by the regime of course. Let me add. Nowadays, “there are no resources for intellectual work,” he added. What about freedom, what about betterment of the economic situation, I argue. “Even freedom,” he replied and those are quotations from a most illustrious Russian writer, “in our country today is so badly tainted by money as corruption is endemic. The traditional excellence of our universities had been lost for lack of resources. The brain drain has attracted many of the best academics into a post self-imposed Soviet exile, not as a persecuted dissident but as financial migrant,” he concluded.

These are very powerful words which we cannot dismiss easily. As it is our obligation to ensure that in the pursuit of transition to civil society, culture and its values are not lost, what can we do, all of us, to protect it?

It is important to place strong emphasis on the institutions that underpinned open-market democracy. Here institutions are meant to be the organizational counterpart of values. As by institutional reform, we understand the establishment of regulative framework and value systems that provide guarantees of fair play. Transition in order to succeed requires institution building, namely, the promotion of the rural law to guarantee freedom, restricting the influence of corrupt practices, preserving the integrity of our cultures. In a successful transition, the consumers’ ability to make purchases they want is just as much attached to democracies as a ballot vote. And healthy enterprises are crucial for the betterment of society as its elected officials. Yet, market and economic agents, to become healthy and stay healthy, they require rules and frameworks in a delicate balance between freedom and discipline. This has been a point stressed by several speakers earlier, yesterday and this morning. Without such rules and such discipline, all economic systems, even those rooted in freedom and private enterprises, risk the generated in chaos and abuse.

Corruption could prevail, cultural values would be lost. The EBRD was not created to make money. Indeed the Bank is not a profit maximizer, as The Economists would put it. What we do maximize in project selection is the transition impact. Namely, the benefit expected to the recipients to help them prosper and preserve their way of life. Furthermore, EBRD only invests in projects with private sector operators alone. The instruments of public consultation and participation are frequently used before important investment decisions affecting people’s lives are taken, in full respect of local tradition and cultural pattern.

I conclude by stating that all European financial institutions need to persist in their proactive cooperation with the countries themselves to help them learn how to face the double challenge of growth and competition in business as much as in other societal dimensions, including culture. Some of the countries in which they operate have inherited civilizations which go back hundreds, in some instances, thousands of years. These are true, not marketable assets, which need to be preserved and which in turn can provide the foundation for stable democracy and a performing economy. In a nutshell, democracy, growth and culture is indeed the trilogy put forth in this unique conference which we all should welcome and support.
Peter H. Sullivan  
Vice President  
Asia Development Bank

The realization of the importance of cultural factors has been a gradual but progressive process for the Asian Development Bank (ADB). The initial investments by ADB in the late 1960s and early 1970s focused on physical infrastructure in support of economic growth and agricultural development. About a decade into its operations in the late 70s, ADB made its first analytical effort to link culture and economic development by commissioning a regional study on growth and traditional cultural systems. By that time, ADB had begun to realize that development is multi-dimensional; that socio-cultural issues are a key concern to beneficiaries; and that socio-cultural factors can critically influence the success or failure of projects.

For example, our initial evaluation of transmigration projects and early resettlement schemes for hydropower projects were mainly exercises in planning and coordination. Only more recently have we fully understood disruptive impact of these schemes on the way people live, how they earn their livelihood, how they practice their faith, when and how they hold their rituals, or how they value their physical environment. Transmigration and resettlement programs often cause irreparable damage to the socio-cultural fabric that holds communities together.

In early projects, relatively little account was taken of the preferences or value systems of affected communities. For example, in Vanuatu and Malaysia, we can visit unused fishing docks and fish auction markets built with ADB support in the early 80s. Local fishers prefer to use historical landing sites that are closer to their homes and adapted to their traditional vessels and marketing practices. In Bhutan, completion of a livestock development project was delayed by five years because we underestimated the degree of religious objection in a Buddhist culture to building abattoirs. We learned through experience that overlooking cultural realities comes at the cost of project viability. Destabilizing the cultural environment can create social tensions under which development and economic growth are difficult to achieve.

These post-project evaluation results are consistent with lessons learned by other multilateral development banks. World Bank studies show that failure to consider the social and cultural context of a project invites inappropriate design and is ultimately likely to lead to ineffective projects. These studies also show that attention to issues of socio-cultural compatibility pays off in economic terms: an analysis of 57 World Bank projects revealed that the 30 socio-culturally compatible projects had an average rate of return at audit of 18.3 percent—twice as high as the rate of return of the other 27 projects with serious socio-cultural incompatibilities. Projects need to be culturally acceptable—in understanding and agreement—and capable of being operated and maintained by local people, their institutions, and their organizations.

In addition to designing culturally sensitive projects, multilateral development banks can also directly support cultural development investments. The range of options open to these banks in this regard is wide: redevelopment of historic sites in urban and rural areas; development and protection of heritage and ecotourism sites; cultural and economic empowerment of indigenous communities; education investments that support museums, libraries and archives; and support of local and national arts institutions. Programs of this nature with a strong "cultural" focus also often have a broader development impact. Historic sights and arts institutions, for example, are key components of tourism development. Cultural empowerment of indigenous communities is often a prerequisite to their economic empowerment. Cultural and educational institutions are an integral part of a country's intellectual heritage and infrastructure. As such, they underpin economic development.

In the Asia Development Bank, an approach has gradually emerged that addresses cultural factors on two fronts. First, we incorporate socio-cultural considerations into most, if not all, of our projects. Second, some projects include direct investment in support of cultural development components. Let me first discuss how ADB incorporates socio-cultural considerations into its projects in general.

An internal ADB Task Force on Improving Project Quality in 1991 recommended greater socio-cultural awareness in designing and implementing sustainable projects. Subsequently, a Social Development Unit (SDU) was created in 1992, and in 1995 the Office of Environment and
Social Development was formed with the amalgamation of SDU and the Office of Environment. The Office of Environment and Social Development helps ensure that the environmental and socio-cultural aspects of ADB projects and programs are carefully assessed. It is this office that ensures application of ADB policies on socio-cultural development. Foremost among these policies is our Policy on Indigenous Peoples. The policy recognizes indigenous peoples’ distinct identity and vulnerability to economic and social change. The policy is based on the recognition that indigenous peoples want to protect their cultural identities and to preserve aspects of culture based in ancestral lands and resources. The policy also recognizes that indigenous peoples need to determine their own pace and path of development, and that social and cultural diversity is in the interest of society rather than an obstacle to national development or economic growth. The policy emphasizes that there is dignity in all cultures, that there should be equal opportunity for all segments of society, and that all segments of society deserve opportunities for equal access to both the factors and the benefits of development. According to the policy, an indigenous peoples development plan is required of all ADB projects that affect indigenous communities. Each plan must detail indigenous peoples’ concerns and aspirations, and show how the ADB-supported project is consistent with these concerns and aspirations.

Let me give you a specific example of a project that takes indigenous peoples into consideration. Subsistence agriculture is the major economic activity in Bukidnon, a province located in the mountain ranges of the Southern Philippines. To address real needs, ADB developed the Bukidnon Integrated Area Development Project involving community irrigation sites, rural roads, water supply, health and child care services, as well as agricultural extension and credit support. The package of services was identified in close consultation with people in five target communities. These consultations revealed that in two of the five target communities, the tribal Lumads comprised a majority of the population. For centuries, many Lumads have occupied ancestral territories in Bukidnon without land titles. In the project communities, as many as 70 percent of Lumads cultivate land to which they have no absolute legal claim. The Lumads’ main concern was that project investments would bring land speculators to their communities. Unless their rights to traditional lands were clarified, landholdings might be subject to contest by different claimants. In addition, ADB social assessment raised the concern that Lumads have no tradition related to irrigated agriculture. However, interviews with Lumads indicated that they were keen to adopt irrigation practices given the appropriate training.

With these two concerns in mind, an indigenous peoples’ plan was prepared under the project. This involved close dialogue between local government officials and tribal members and leaders. The plan will support a survey of Lumad land claims and facilitate processing of these claims under land decrees granting legal ownership of land to indigenous cultural communities. Investments in the two Lumad communities can begin only once their ancestral claims are legalized.

To minimize possible cultural incompatibility of irrigated agriculture with traditional Lumad agricultural practices, the plan provides for extension services tailored to Lumad needs. Extension services will be more intensive than those offered to migrant farmer beneficiaries and will emphasize adaptation of traditional practices and know-how. During project implementation, progress will be monitored closely, and with the direct participation of Lumads.

Policies and guidelines on social assessment, environmental assessment, gender and development, and involuntary resettlement, ensure that ADB programs and projects do no harm to the people for whom and with whom they are designed. At an early stage of all projects, ADB carries out initial social and environmental assessments. Based on these assessments, the ADB carries out a detailed analysis of the issues identified to ensure that projects are formulated with full consideration for social, environmental, and cultural issues.

Let me give you a few examples. The first, the Basic Education for Girls Project in Lao People’s Democratic Republic, is an example of a project that takes into consideration the traditional role of ethnic minority women.

In Lao PDR, girls from the age of seven in ethnic minority communities are expected to perform numerous household and child-care tasks. These include collecting fuelwood, carrying water, de-husking rice, and caring for younger siblings. These role expectations significantly
reduce opportunities of girls in ethnic minority communities to attend school, and participation rates are consequently low. Other factors contributing to low participation rates of girls include lack of schools, the long distance to existing schools, the high cost of school-related expenses, and lack of ethnic minority teachers and instructional materials.

The ADB-initiated Basic Education for Girls Project attempts to address some of these constraints by providing 375 villages with new multigrade schools designed mainly to benefit ethnic minority girls. To facilitate access, the schools will be located in local communities close to the girls' homes. To make teaching more relevant, the project will train ethnic minority teachers, and provide curricula and instructional materials adapted to the needs of ethnic minority communities. To ensure that the schools remain culturally sensitive, local communities will participate closely in their management.

Second, let me give you an example of how an infrastructure project can be culturally sensitive. The Southern Yunnan Road Development Project in the People's Republic of China aims to stimulate economic activity and create employment by building an expressway and upgrading feeder roads. Ethnic minority concerns were a significant issue during project preparation, reflecting the fact that two thirds of the population in the project area belong to ethnic minorities.

Intensive community participation was part of the project from the outset of expressway design. Both ethnic and mainstream populations affected by the project shared concerns about disruptions due to the project. Most of these concerns are reflected in a minority peoples development plan and an involuntary resettlement plan, both of which were developed in consultation with affected communities.

The project design team consulted with ethnic minorities on a wide range of issues, including sacred and religious sites. National officials of the Religious Affairs and Nationalities Department also advised designers how to take these traditional sites into consideration. For example, the ethnic Dai people consider sacred a mountain where a Buddhist temple used to be located. To avoid this mountain, engineers shifted the location of a bridge that forms part of the expressway.

Another ethnic group, the Hani, were also consulted by designers on how to tackle the problem of sacred trees located on the route of the planned expressway. According to the Hani belief system, a deity with the power to protect crops and guarantee good harvest resides in particular dagingshu or lom trees. Consequently, these trees are considered sacred. The Hani hold yearly ceremonies to seek the deities' protection. These trees are carefully safeguarded. Expressway designers did their best to avoid the trees. In the few instances where trees could not be safeguarded, Hani elders agreed to hold ceremonies to transfer the deity to another tree.

Other examples abound. A watershed protection project in Sri Lanka allows access by pilgrims to a religious site on the other side of the protected area. In Bangladesh, a biodiversity project is promoting indigenous livelihood activities and crafts. In Pakistan, a livelihood project provides women who do not wish to venture too far from home with home-based employment opportunities. In the Marshall Islands, a fishing project is providing fishers with their own small- and medium-sized vessels—larger vessels would take them away from their families for two weeks or more at a time, a culturally unattractive option. In Kazakhstan and Uzbekistan, ADB education lending is financing the development and supply of textbooks for ethnic and linguistic minorities.

As the second facet of its approach to supporting cultural development, the ADB provides resources in direct support of cultural development components in projects. The Second Tourism Infrastructure Development Project in Nepal is a good example.

The Manaslu wilderness area is located in north-central Nepal. It is an extremely poor area where people's main sources of livelihood are agriculture, livestock, and seasonal trading. High dependency on natural resources is leading to soil erosion and loss of biodiversity. To diversify the community's sources of income and protect the fragile ecosystem, the ADB Second Tourism Infrastructure Project is developing Manaslu into an ecotourism destination. The project aims to secure the capacity of host communities to manage tourism in their area. Transportation facilities, small hydroelectric stations, and community-managed campsites are being constructed to attract tourists to the area.

Cultural heritage sites are also being conserved as part of tourism promotion. Manaslu is
home to several gompas or monasteries, centuries-old remnants of Tibetan architecture within the cultural mosaic of Nepal. Gompas are in advanced stages of disrepair and lack the facilities to welcome visitors. Under the project, repair and maintenance of three monasteries, Chhekang, Rachhen and Naxa are underway. So far, monastery conservation activities have included roof repair and the setting up of kitchens and sanitary facilities. Dialogue was carried out last year with leaders of the Rachhen Gompa to create an endowment fund for the gompa's monastic school. Another monastic school is being repaired in the village of Sama, with villagers contributing local materials for construction. The project is also arranging for community members' training in the traditional art of thanka painting.

The project has a strong cultural focus, but is designed to have a much broader development impact. By restoring cultural heritage sites and strengthening infrastructure, the project will provide people with alternative sources of employment and income, strengthen education, and alleviate pressure on a fragile ecosystem.

The Asia Development Bank has also worked closely with other international organizations in the field of culture. In the historic Agra-Mathura-Ferozabad Trapezium of India, ADB in collaboration with UNESCO is carrying out a study on the environmental improvement and sustainable development of an area that is home to over 40 protected monuments. Three of these are listed as World Heritage Sites, namely the Taj Mahal, the Agra Fort, and the Fatehpur Sikri. Two more monuments, Sikandra and Itmad-ud-Daula, are also proposed to be listed as World Heritage Sites. Apart from protecting these cultural and heritage monuments from the pressures of modernization and population growth, the study will also look at supporting social infrastructure that would keep children in the vicinity from working in local factories.

We share the position of the World Bank that in order to attain comprehensive and sustainable development “countries themselves, not donor agencies or foreign experts, must be in the driver’s seat”. The heaviest burden of incorporating socio-cultural considerations in projects will fall on borrowing agencies and governments, as they more carefully identify, prepare, design, implement, and socially evaluate development programs. Institutions like the ADB have an important role to play in providing resources to develop the tools to support the cultural dimensions of development. We are in the process of developing valuation methodologies to help capture the social benefits and costs of cultural programs. We are also developing ecotourism management schemes that promote the needs and cultural priorities of local and indigenous peoples without crowding and overexploiting these areas. In close cooperation with our developing members, we are learning how to include cultural issues in development programs as well as policy dialogue.

From its initial focus on physical infrastructure and agriculture, the ADB has come a long way in recognizing the importance of culture and reflecting this in its activities and lending programs. However, we recognize that ADB still has a lot to learn and is continuously reviewing aspects of its operational organization and business practices. We are also reviewing how the ADB working culture enhances or impedes our ability to support cultural programs and projects. Our goal is to cultivate an institutional environment that is fully aware of, and sensitive to, the socio-cultural dimensions and implications of our work.
Henock Kifle  
Director, Africa Development Institute  
Africa Development Bank

We indeed welcome the opportunity to learn and to exchange views with colleagues and friends from all over the world on the important role of culture in development. It is indeed appropriate that such an exchange of views should be held in this wonderful city of Florence, a city that has played a pivotal role in the development of Italy and Europe throughout the ages.

In my brief remarks, I would like to touch on three topics. The first is the role that African countries and their development partners have assigned in the past to culture and to cultural programs and projects, in their efforts to promote the development of Africa. The second issue is the likely place of culture in future development efforts. And third, the role that Africa’s development partners should and could play in the region’s efforts to promote such a development in the coming decades and in the new century.

In preparation for this conference and in seeking to answer how development has had an impact on cultural programs and projects in Africa, my colleagues and I at the African Development Bank came up with the following observations. I should add that these observations are subject to challenge and I hope they will be challenged. We noticed that a few countries with rich historical heritage have indeed adopted clear cultural policies and projects to enable their people to benefit from the instance of such treasures. They have promoted cultural tourism and other ways of benefiting from their heritage. Others have sought to promote traditional arts and products and thereby create an industry to support a livelihood for those engaged in such production. Often, this has been done in the context of national game reserves. And sometimes these have sought to popularize their contemporary art, both as a means of deepening national identity and creating a cultural industry. Nonetheless, despite the obvious importance accorded—at least officially by all countries—to preserving their cultural heritage and identity and to developing it further, it will appear that only a handful of countries have indeed mobilized their resources and developed their know-how to make culture an integral component of their development efforts.

In examining the role that the African Development Bank has played in supporting their development or efforts of our regional member countries, a similar conclusion, not too surprisingly, emerges. Over the last 35 years since it started its lending operations, the African Development Bank has mobilized considerable resources in supporting their development efforts of its member countries. Undoubtedly, the transportation networks built, the cultural industrial projects supported, and hundreds of schools and vocational training centers constructed, have all had a major impact on the lives and cultures of many African communities. Yet, except in the last few years when the African Development Bank began to consider collectively cultural and institutional factors, it was indeed beyond exaggeration to state that culture or cultural development were explicit considerations or goals in the development projects that the Bank financed. Even in the projects and programs that necessarily have a clear cultural content, such as the education projects, the implicit or explicit goal was often to modernize and develop, rather than develop the many cultures that constitute African countries.

How do we explain the relative neglect of culture and cultural development in projects and programs? And what does the future hold in this regard? I believe it is important to step back and review the political economy of post-independent Africa and the trajectory of events that have taken in many countries during this era. I wish to stress a few of these salient features. At the time of independence and the close of the colonial era which must necessarily be seen as a total negation of African culture, most African leaders saw the tremendous challenge facing them as that of nation building. This was taken to mean the forging of a single nation and a single culture, as the many peoples and distinct cultural groupings or colonialization left behind were seen as a threat to the nation state. The popular slogan of the day—“one party, one nation”—would soon be generated, as we all know, into one party and one lifetime leader or president.

Most newly independent African countries also saw their government or the state could only bring about economic development in the short term. In this regard, we should remember that
contemporary development thought supported the notion and example of socialist countries as appropriate to emulate. The heavy hand of bureaucracies soon begun to stifle the private and commercial initiatives in favor of government edicts. In the extreme cases such as my own country, Ethiopia, military government sought to create whole new societal and cultural relations by seeking to eradicate traditional values, beliefs, and organizations. Not too surprisingly, this proved to be a short-lived, although costly experiment.

Nonetheless in the immediate years after independence, the political and economic approaches adopted by many countries seem to have worked. Economic growth was well above population growth rates. And in many countries, it reached the revival rate of seven to eight percent a year. The project of national integration seemed to be well on its way. And basic human development indicators also improved. Yet, the external shocks that this country began to face in the mid-1970s and later in the early 1980s, were to see the fragility of the progress that almost all countries had made. Almost all countries began a downward spiral. The 1980s were a period of turmoil and decline for most African countries. Economic growth stagnated or declined. Civil strife and conflict were common. And standard of living plummeted, wiping out the gains that had been made in the early post-independence period. It was also the beginning of African indebtedness which, 25 years later on, we still have yet to resolve. As a result of this crisis, most countries began to adopt economic stabilization and adjustment programs supported and financed by the Bretton Woods institutions.

A point that I would like to stress here is that, in the era of crisis where basic needs were not being made, few countries had the will or the resources to invest in cultural projects and programs. In the 1990s, we began to witness the reversal of some of these trends. Some positive economic and political developments have begun to take place in many countries in Africa. We are witness to the rebirth of democratic movements and the holding of elections in many countries. And while it is clearly too early, too premature to claim that democracy has taken root, liberalization has indeed taken place, allowing the emergence of civil society organizations and the respect for some basic human rights. Long suppressed communities and cultures have also began to blossom, creating a much more divers cultural landscape. We have also witnessed the end of apartheid in South Africa and the restoration of democracy in Nigeria. At the same time, we should always recall the ethnic clashes and conflicts based on different cultural values have intensified in a number of countries leading to genocide in Rwanda and the collapse of the modern state in the Somalia. The economic reform programs of the last decade have also began to change radically the African economic landscape. With the retrenchment of the states and the encouragement given to private enterprise and the market, the state has begun to lose its predominant role. Here again, we’re beginning to see the proliferation of actors on the economic scene, both domestic and foreign.

This brief and highly systematic review of political and economic developments in Africa over the last two to three decades, shows that African countries are entering the new millennium much changed. The political and economic landscape in Africa is more complex and richer today. A central question that African countries and their development partners must pose and answer is the following: What development paradigms should African countries adopt to promote rapid economic growth and sustainable development? I believe that the African development experience of the past few years has highlighted a few important lessons that must necessarily be taken into account in our future development efforts.

The first is that while the state has a clear developmental role, it should also be one of facilitator, an enabler, not the dominant actor it was in the past. Development policy has to allow for others to participate freely, whether this be traditional communities or individuals in the private sector. Second, development can not occur if severe macro economic imbalances are allowed to emerge and persist. Prudent macro economic policy and management is essential if sustainable development and growth is to be achieved. We must therefore put the debate over stabilization and adjustment programs behind us. Third, it has become evident that the economic policies alone or just getting economic policies right, while essential, may not be sufficient to bring about development. Important extra economic factors, such as ownership of the development process by countries and communities and placement of essential attributes of good governance, are essential.
This is what I believe the World Bank refers to in its new development approach, namely, the comprehensive development framework. In this regard, it is also important to stress that the emergence of new actors on both the economic and political arenas and their fuller participation in the ownership of the development process will necessarily imply that the way development is defined, managed, and run will be radically different in the future than it has been in the past. Greater transparency and participation results in the richer definition of development, with cultural and social values taking a much more central role. This, I think, is what Professor Streeten was emphasizing when he noted that economic growth should also be seen as a means to achieving the values and goals of the communities or societies sets for itself rather than cultural being seen simply as an instrument.

Let me briefly touch on the role that Africa’s development partners should seek to play in this changing political and economic environment that we face on the continent. If development is to move beyond rhetoric reality, multilateral and bilateral development agencies should forge a much richer and complex partnership with African governments and the emergent organizations of society than has been done in the past. They will need to recognize that sustainable development would only be a reality if African governments and communities begin to set the development agenda for themselves. Where the capacity to such an agenda does not exist, efforts must be made to help countries develop the necessary capacity so that the partnership is one of equals. The new partnership must necessarily be built on shared values if it is to endure. While seeking to preserve and build each country’s cultural heritage, such partnership must nonetheless be based on certain universal values. We should include, I would argue, respect for basic human rights and the rule of law, democratic and participatory forms of government, and the creation of cultural pluralism with the nation states.

The last few years, we at the African Development Bank have sought to redefine our vision, our role in Africa’s development. In the light of the changing political and economic conditions of the continent, we have realized that our role must change if we are to remain relevant and supportive with the development efforts and aspirations of the people of Africa.

The Bank’s new vision stresses that the objective of the Bank activities must center on poverty alleviation. And while the central function as a development bank must necessarily continue to be the moralization of financial resources for our member countries, its interventions would be much more broad than in the past. It will in particular, give high priority in its loan lending activities to sustainable development and to promote a gender equality. And underpinning all such efforts will be the Bank’s emphasis on good governance as an essential prerequisite. Good governance is necessary if development process becomes participatory and driven by the values and aspirations of all actors in society.

That option of the new vision of the African Development Bank has begun to have an important effect on the way it conducts its business. At the macroeconomic and sectoral level, the increasing emphasis is to develop the incorporation with governments and other donor comprehensive sector programs. This seeks to set the essential framework for all development activities in the sector. And at the local level, emphasis is on the development of projects that involve communities in their design and management. And while such a participatory approach is necessarily time consuming and complex, we’re beginning to see that they indeed have high payoffs. And that their sustainability is guaranteed in the longer term.

Let me conclude by stressing once again that Africa enters the new millennium much changed, both politically and economically. The Africa of today is much different than the one at the time of its independence some 35 years back and even ten years back. Political and economic liberalization in many countries holds the promise that Africa’s development agenda indeed be driven by its governments and peoples, and by their values, cultures, and aspirations. The role of African development partners must necessarily be supportive. Sustainable development requires the negation of the temptation to take control, to lead the development efforts. Nurturing participatory development would undoubtedly require patience and dialogue, as any democratic process must. Yet, if Africa’s development partners dedicate themselves to such an equal partnership, the promise of the African renaissance, that South African President Mbeki foresees, will indeed become a reality in the new millennium.
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The late 1990s have been exciting times at the Inter American Development Bank (IDB). As the institution prepares to celebrate its 40th anniversary in December 1999, it has cause to be proud of its accomplishments. The governors from the 46 states that own the IDB have guided the institution not only to play a leading role in the economic development of the region but, as its first president aptly put it, “to be more than just a Bank”. The practical implication of this approach is that the IDB, from its inception in 1959 has pioneered the involvement of multilateral development banks in fields as diverse social development, the reform of the state, and recently, the preservation of the urban heritage.

The IDB traditional concern for social development was reinforced by the mandates received from its governors in 1994 instructing to devote at least half of its lending capacity to projects having a direct impact on the reduction of poverty. The IDB was also asked to promote the reform of the state and continue supporting the regional economic integration process, the privatization drive sweeping the region, and the protection of the environment. The IDB has faced these mandates with a growing lending program and concurrent technical cooperation and policy advise activities.

Bank lending has supported the second generation of reforms made possible by the growing macroeconomic stability of the region. Reforms of the education, health, and social housing sectors are having a direct impact on the living conditions of the low-income population and enhancing the long-term development prospects of the countries though their impacts on the quality of human capital. In turn, reforms to social security systems are not only improving this area of government concern, but also contributing to the development of local capital markets. The IDB is also very active in supporting private investment in infrastructure through its private sector window and in promoting employment generation through its micro-enterprise program and the activities of the Multilateral Investment Fund.

To round up this concise review of the activities being undertaken by the Inter American Development Bank, it is worth noting that it is also very active in fulfilling its mandate of promoting the reform of the state. It is assisting governments to improve the efficiency of their executive, legislative, and judiciary branches and in the reform of tax management. Lending for the environment has not only increased by also expanded its scope and efficacy and the IDB has maintained a sustained concern for gender issues and the support of the development of indigenous communities.

The IDB is also contributing to the expansion of the development agenda to include solutions to problems like domestic and urban violence, early childhood development, and recently, the preservation of the urban heritage. The sociocultural aspects of projects are cared for by specific policies (like that on involuntary resettlement) and strategies (like those guiding IDB actions on the development of indigenous communities or the treatment of gender issues in IDB projects). A special management committee reviews all projects to ensure compliance with these policies and strategies.

As the third millennium approaches, the IDB is preparing for the challenges ahead. These include addressing the problems of inclusion being faced by the Region where the significant economic growth of the last decade has not benefited the population in the lower half of the income distribution structure. This leads the IDB to expand its support to activities impacting the formation of human and social capital and the modernization of the public sector as a key actor in directing the economies to attain greater social equity.

Financing Culture as a Component of Development, the Crossing of a New Frontier

The participants in this conference are well aware of the fact that facing the challenge of inclusion involves more than just fostering economic growth. It requires purposeful actions to integrally enhance the quality of life of the population and this includes among others, fostering their sense of belonging and self esteem, and boosting their creativity, all factors commonly associated with culture. Notwithstanding this awareness, there is still little agreement about the role of culture in socioeconomic development.
The international development community has been debating this issue for some time. The intellectual leadership of UNESCO and research efforts of the World Bank and its partners in this venture are noteworthy. At a conceptual level, all agree that culture is an essential component of the identity and cohesion of a society or social group, and that these attributes are gaining importance as counterweights to the sweeping currents of globalization. However, at the practical and empirical level, only a handful of cultural factors have been directly connected with the acceleration of socioeconomic development process. Actually, in many quarters, cultural factors are often linked with barriers to the modernization of the economies.

The most direct connection between culture and development is the long established policy of preserving and enhancing cultural heritage—the sum of humankind’s experience made tangible—as a foundation for tourism. Culture-based tourism is today the fastest growing segment of this sector. Another direct connection is that some cultural products, like music and the visual and scenic arts, have commercial value and represent a source of income for a vast variety of artists and crafts people. Latin America is a case in point where the growing interest in Latin music in the Western Hemisphere creates income-generating opportunities for musicians and many other trades linked to the production and distribution of this cultural product. A more indirect connection has been proposed linking cultural factors to transaction costs in the economy. However the connection has not been established empirically yet and no policy prescriptions have been put forward to modify its impacts on economic efficiency.

Notwithstanding these considerations, for a multilateral development bank, even one with wide reaching mandates like the IDB, financing culture, as a component of development remains problematic. Several reasons explain this difficulty. First, the few proven linkages between culture and socioeconomic development offer little scope for public involvement either because they relate to economic activities for which the private sector have advantages, thus requiring limited government support, or because there are no proven ways of influencing them, like the culture-induced transaction costs. Even for those activities in which government support is deemed necessary, like urban heritage preservation, there is little clarity about their priority to compete with pressing poverty alleviation investments in education, health and sanitation for scarce public resources. Furthermore, for projects to be eligible for Bank financing they must have economic benefits capable of being demonstrated with the methodologies available. These methodologies often do not capture all the impacts of cultural development.

This does not imply that investment in cultural development needs not to be considered. Several reasons support continuing concern for this issue. Ongoing research is pointing to new and powerful linkages between culture and socioeconomic development and as solid evidence of these linkages is brought forward, the rationale for Bank involvement will get more solid. Also governments are approaching the IDB for help with their cultural development programs. Support for culture is a long established public expenditure item, thus an area of concern for reform of the state programs. Furthermore, countries also invest private resources in the support of cultural activities and the efficient coordination of public and private expenditures is also a concern.

The vast field of cultural development holds promise to contain a variety of bankable investments. A few are known already and are being financed by the Inter American Development Bank. But full incorporation of cultural development into IDB financing involves crossing a new frontier and more solid evidence on their bankability is still required.

As a consequence, in supporting culture-related investments, the Inter American Development Bank has proceeded with caution. It has focused on projects that have direct links to its current mandates and often financed components with cultural significance as part of traditional investments. Promotion of tourism was the initial field of investment but IDB has also supported cultural projects with impact on the alleviation of poverty and urban historic preservation initiatives that incorporate the private sector and contribute to improve the management of public funds. The IDB has also financed culture-related investments as part of larger infrastructure projects, when these investments are connected with the infrastructures and represent a small outlay. All projects financed has passed
the IDB strict evaluation criteria that include proof of their sound technical design, positive economic returns, sustainable financing and institutional execution mechanisms, and positive social and environmental impacts.

Lessons learned from early projects has lead IDB to place great emphasis on the long-term sustainability of the cultural development investments that finances, particularly promoting the active involvement of all stakeholders in project financing and execution. This concern has lead to the IDB to promote public-private partnerships of different sorts and to emphasize community ownership of this type of investments.

The Stated Principles in Action—Cultural Development Projects at the IDB

These principles have guided IDB lending for projects directly connected with the development of culture or with significant components benefiting aspects of culture.

Cultural activities in social development

The IDB supported the expansion of the Youth Orchestras Program of Venezuela, a cultural activity with social development objectives. Children from poor neighborhoods are involved in local orchestras that perform in the community. Although they receive formal training in music only a handful of students become professional musicians. Involvement in the program enhances the self-esteem of children and their families, improving their chances of success in education and work life.

Investment in culture piggybacking on investment loans

Several infrastructure investment loans contain historic preservation and community development activities based on culture. Financing for the upgrading of a regional road in Bolivia included resources for the preservation of one of the old bridges and a nearby church dating from the 18th century. Similarly, financing for the one billion dollar environmental cleanup of the Riachuelo River in Buenos Aires included a component for the rehabilitation of the historic neighborhoods of La Boca, Barracas and Isla Maciel, deteriorated by frequent flooding that will be prevented by the program. In addition to their rich community life, these neighborhoods attract a significant flow of tourism as the original port of the city and the reputed birthplace of the tango.

Support for culture-based tourism

Early projects involved support for culture-based tourism. The rehabilitation of the monuments of Cuzco, Peru’s prime tourism destination, and of Old Panama City, are but early examples of this approach to supporting the preservation of the cultural heritage. These investments although bringing positive economic returns, faced long-term sustainability problems, as the institutional structures in charge of the investments were unable to ensure the proper operation and maintenance of the preserved monuments. A more recent project in this line is the Tourism Promotion Project for Northeastern Brazil that in addition to financing infrastructure or importance for tourism (sanitation, roads, and airports) include a component for the preservation of historic centers. Resources are lent to municipalities and states that undertook the obligation to operate and maintain the preserved monuments.

Urban historic preservation

The most significant activity of IDB in the realm of supporting the development of culture in its borrowing member countries are the loans that have been provided in the last five years for urban historic preservation. These include loans to the Municipality of Quito for the rehabilitation of the historic center; to the Government of Uruguay for an urban revitalization program that involve the preservation of the railway terminal of Montevideo, a historic landmark; and to the Ministry of Culture of the Government of Brazil for launching a urban heritage preservation program in partnership with municipalities. Responding to specific problems the loans put into play different aspects of the IDB approach to promote sustainable urban historic preservation through partnership with interested stakeholders. The loan to Quito promotes public-private partnerships to involve stakeholders. The Montevideo project seeks direct private sector investment in the operation and maintenance of the historic railway station. The loan to the Brazilian Ministry of Culture in turn centers on the issues
of setting priorities for public investment and how to establish sustainable process of preservation based on community led projects.

**The historic center of Quito**

The rehabilitation of the historic center of Quito opened the possibility for IDB to explore the potential of an integrated approach to urban heritage preservation based in putting monuments and architecturally significant buildings to contemporary sustainable uses. The coordination problems associated with the fulfillment of a public objective through the intervention of the private sector were solved through the establishment of a mixed-capital corporation. This entity is undertaking preservation work in partnership with landlords and private investors and selling the resulting floor space in the market. The results obtained so far include new retail, office, hotel, and housing space in preserved buildings whose demand is fostered by improved accessibility and quality of the public space.

**Central Railway Station in Montevideo**

The preservation of the Central Railway Station in Montevideo allowed IDB to promote an even more proactive approach to private sector involvement. Resources of IDB are financing the preservation of the structure, façade, and roof of the station, readying the building for being given in concession for private investors to develop a mix use complex including culture, recreation and retail space.

**The “Monumenta” Program of Brazil**

The Monumenta Program of Brazil is the first national urban historic preservation program financed by IDB. It confronted the institution with the issues of setting priorities for allocating federal funds. The importance and urgency of preserving specific monuments and historic centers is not always self-evident and different groups and individuals usably disagree. The Inter-American Development Bank introduced strategic choice methods to the task and is strengthening the institutional capacity of the federal institutions to undertake this task. To improve local ownership of the federally financed investment, projects must be proposed by the municipalities with ample participation of the community and private investors. The program is financing investments in historic cities like Ouro Preto and historic centers like that of Recife.

**Expanding IDB Involvement in Cultural Development**

At this juncture of IDB involvement in cultural development and given available knowledge on its impact on socioeconomic development, two paths are foreseen as worth pursuing. The first is to expand on the experience gained in urban historic preservation projects that points to the need for a more integrated approach, one that establishes a clear link with the economic and social revitalization of the area where the monuments are located. The second path emerges from the realization that in financing projects related to cultural development, IDB has focused on a narrow set of the vast field topics that can be included by and expanded view of culture. There are pressures on IDB to adopt a wider view of culture, one that may lead it into uncharted territory. This issue must be addressed.

Culture in its widest sense is perceived by most citizens as having an intrinsic value, prompting societies to invest on it. Public resources are earmarked for cultural activities by all levels of government. Private philanthropy also contributes, increasing the resources devoted by communities to support cultural activities with no commercial returns. Multilateral development banks may have a direct role to play in helping governments to improve public expenditures in support of culture. This can benefit national, state or municipal governments. A central focus of this support is to set up sustainable mechanisms for supporting cultural development, which involve all stakeholders in their most efficient capacity. The promotion of private philanthropy is another area of development that when based on tax incentives create a form of private participation in the allocation of public resources. This area of concern is linked to securing sustainable sources for financing the development of cultural activities and the protection of heritage of national interest.

Multilateral development banks may play an indirect role in the development of culture through their support to local governments. States and municipalities often are most active in supporting culture and they will benefit from assistance for financing infrastructures and efficiently managing cultural expenditures. The
development of public-private partnerships is an efficient tool for involving all stakeholders in financing and managing cultural activities. The protection of the heritage of international interest requires forging effective international partnerships. The partnership promoted since 1997 by the World Bank is a beginning, though it has focused on the exchange of experiences and sharing of research results. This initiative requires to be taken further to set up sustainable international sources of finance to help national governments to protect the heritage declared of international interest, for instance the world heritage declaration of UNESCO. Multilateral development banks cannot enter this field of financing or institutional support, but can assist the relevant institutions in calling the relevant actors, public, and private, to join in the effort.

On closing, the Inter American Development Bank is facing a complex challenge, the paths suggested are promising, but many uncertainties exist that can only be solved through more research and reflection on experience. The IDB can contribute the lessons of its lending experience, it is offered here as a contribution to share with the other partners in this challenging endeavor.
Session V.A1.

Bilateral Development Agencies: Development Impact of Programs and Projects on Culture and Prototypes and Best Practices

Session V (Roundtable A1) includes the presentation of cases of investment projects in culture by bilateral development agencies with emphasis on the development impact on local employment, social cohesion, and education. Presentations will provide quantitative assessments on the development impact of the projects undertaken and will address the following issues:

- How do cultural programs relate to educational programs?
- Should activities be restricted to cultural heritage programs or also to nontangible aspects of culture?
- Did these programs create new opportunities for the poor?
- Are their social, cultural and environmental benefits?

This session was moderated by Rino Serri, Undersecretary of State, Ministry of Foreign Affairs, Italy.

Fulvio Massard
Director, Administration and Finance Department, Member of the Directorate, Swiss Agency for Development and Cooperation

La politique suisse de coopération est définie dans la Loi fédérale du 19 mars 1976 sur la coopération au développement et l'aide humanitaire internationales.

La loi de 1976 dit que le but de la coopération au développement de la Suisse est de soutenir les efforts des pays en développement en vue d'améliorer les conditions de vie de leurs populations. Elle doit contribuer à mettre ces pays en mesure d'assurer leur développement par leurs propres forces. L'objectif n'est donc pas compris de manière purement économique, mais implique une définition large du développement, comprenant les valeurs non matérielles.

Notre Direction du développement et de la coopération suit donc avec attention les réflexions et discussions qui se situent dans le cadre de la Décennie pour le développement culturel, vouées à mettre en exergue l'importance de la dimension humaine et culturelle dans les processus du développement. L'idée que le développement embrasse toutes les dimensions de l'existence des individus et des communautés—et non seulement l'accès aux biens matériels—qu'il a comme objectif le bien-être physique, spirituel, social de l'homme et des communautés, fait lentement mais avec assurance son chemin.

La coopération suisse—comme tant d'autres—a dû faire l'expérience de la difficulté pour les peuples des pays en développement de s'identifier avec les modèles du Nord : des modèles de production ne respectant pas les paradigmes de relation parfois sacrée entre l'homme et la terre, des modèles de contenus de programmes scolaires conçus en vase clos dans les capitales européennes, des modèles de démocratie formelle ignorant les mécanismes traditionnels d'appartenance à des groupes et à des communautés historiques (l'exemple du Rwanda a été pour tous un enseignement douloureux).

Il ne s'agit pas de retomber dans les querelles des modernes et des anciens : les cultures traditionnelles doivent être respectées, mais elles doivent aussi être capables de se confronter aux exigences du temps.

Dans notre esprit, la culture n'est pas une dimension parmi d'autres du développement. Nous croyons que le développement en tant que tel est un processus culturel. Un développement durable n'est possible que dans la mesure où les décisions et les projets ont une place dans la culture.
qui les accueille, les communautés concernées sont capables de mener elles-mêmes jusqu’au bout le processus de leur développement. Nous avons de notre côté un rôle d’accompagnement et de soutien, le rôle de la sage-femme de socratie mémoire.

Dans son Image directrice, publiée cette année, notre Direction du développement et de la coopération inscrit au chapitre de sa mission :
- “Favoriser l’accès au savoir” et,
- “Encourager la compréhension entre les cultures”.

Nous considérons dans cette perspective le terme de culture dans son sens le plus large—anthropologique—du terme, incluant les valeurs politiques et sociales, les droits des citoyens et des citoyennes, les normes de la vue communautaire.

Un projet culturel est pour nous celui qui naît d’exigences exprimées par une communauté en vue de renforcer un capital de savoir ou de savoir-faire traditionnel, qui est capable d’impliquer ses résultats dans les modes de vie et les attitudes établies de la vie sociale ; un projet dans lequel nos partenaires investissent des ressources intellectuelles, humaines, technologiques, tout au long des différentes phases, de la préparation à l’évaluation, des mesures envisagées.

La coopération suisse essaie dans cette perspective d’accorder une plus grande attention aux cultures des minorités, des groupes marginalisés et des populations autochtones, qui représentent—avec 5000 groupes culturels—le 90 % de la diversité culturelle de la population mondiale. L’engagement suisse en faveur des minorités et des peuples autochtones se manifeste par la promotion des droits de ces peuples et de leur capacité à les faire valoir (par exemple par un appui aux processus de décentralisation des pouvoirs), ainsi que par la mise en valeur et la diffusion de leur savoir et de leurs savoir-faire traditionnels. La culture et les modes de vie de ces populations, inscrites dans le territoire qu’elles occupent, sont particulièrement intégrés à leur environnement et respectueux de la nature.

Je vais donner ici quatre exemples de projets que la coopération suisse mène dans le domaine culturel entendu dans son sens le plus général. Les deux premiers concernent l’articulation culture/économie.

Nous soutenons dans la région des Andes méridionales boliviennes un projet de revalorisation de textiles traditionnels des cultures Tarabuco et Jalqu’a her dont l’objectif est d’un côté de promouvoir la création d’emplois dans le domaine de l’artisanat artistique et d’augmenter le niveau des revenus de la population, de l’autre de mettre en valeur un ancien patrimoine culturel et artistique. Les tissus traditionnels, riches en motifs et en laine de mouton et d’alpaga, avaient fait place progressivement à des produits standardisés et synthétiques. Par une étude d’anciennes collections de textiles la qualité traditionnelle des matériaux et les anciens motifs ont été récupérés pour la production par un certain nombre de tisserands de communautés rurales. Le projet ocupe aujourd’hui plus de mille tisserands dans 16 ateliers ruraux et deux quartiers urbains de Sucre. Produisant actuellement par année des revenus presque équivalents aux investissements effectués sur six ans, ce projet est une démonstration du fait que la remise en valeur d’éléments d’une culture traditionnelle, l’initiative entrepreneuriale et le développement d’un secteur industriel peuvent être compatibles.

Voici un autre exemple, provenant de la même région :

La productivité agricole des hauts territoires des Andes présente les problèmes bien connus. La recherche de méthodes et techniques de culture des sols ayant un haut degré de productivité mais respectant les ressources naturelles constitue l’un des problèmes majeurs du développement économique de ces régions.

Un exemple intéressant de valorisation d’anciens savoir-faire sont deux projets lancés à partir de la fin des années 80 dans la région du lac Titicaca, sur territoire péruvien et bolivien. Des fouilles archéologiques ont permis la redécouverte d’une ancienne technique agricole, introduite dans la période pré-Inca, et utilisée dans la période Inca, entre 1000 avant Jésus-Christ et 1500 après Jésus-Christ. Cette technique (appelée “wara waru” au Pérou et “Suka Kollus” en Bolivie) consiste dans la création de plates-bandes rectangulaires surelevées et entourées d’un fossé rempli d’eau. Après une phase d’étude sur le plan archéologique, d’analyse des aspects techniques et économiques relatifs à l’application de ces anciennes méthodes, de discussion avec les associations locales et les populations concernées, l’introduction de cette ancienne technologie a fourni (on peut l’affirmer par rapport au territoire péruvien, où les évaluations se fondent sur une période d’expérimentation plus longue), des résultats encourageants.
• malgré l'intensité des soins qu'elle demande, cette technique peut être maîtrisée par les producteurs locaux ; plus de 8000 familles sont actuellement concernées au Pérou ;

• la rentabilité des sols est fortement améliorée par rapport aux autres méthodes de culture pratiquées dans cette région : trois fois plus élevée en ce qui concerne la production de pommes de terre, deux fois plus élevée en ce qui concerne la production d'avoine et d'orge ;

• l'influence de ces méthodes sur le microclimat (rechauffement de la température de 2–3 degrés) réduit les effets des gelées.

Les succès obtenus par l'introduction de ces technologies particulièrement bien adaptées aux conditions locales ont amené les communautés paysannes à procéder à l'identification de zones agricoles supplémentaires. Presque 5000 hectares sont actuellement cultivés au Pérou, 142000 hectares potentiels supplémentaires ont été identifiés !

Le troisième et le quatrième exemple concernent l'articulation culture-droits de l'homme.

Depuis le début des années 90, la coopération suisse soutient un programme d'appui aux mass-médias en Afrique de l'Ouest. L'accent est mis sur les radios rurales, c'est-à-dire le moyen qui nous semble le plus prometteur dans le cadre d'une société de caractère avant tout rural, où les mass-médias ne sont pour la plupart que très récents.

Notre programme mass-médias travaille actuellement au Bénin, au Burkina Faso, en Guinée, au Mali, au Niger, au Sénégal et au Tchad. Il donne la priorité à la formation de journalistes, si possible en Afrique de l'Ouest, sur le terrain. L’appui en équipements est secondaire, mais reste évidemment une nécessité. Le but de ce programme est d’utiliser l'effet émancipateur des médias afin de promouvoir la démocratie et la participation des citoyens aux processus de décision ; les médias jouent également un rôle important dans la sensibilisation de la population aux nombreux problèmes des sociétés africaines.

Il est très difficile de mesurer l'impact quantitatif d'un tel programme, surtout dans un contexte rural avec sa densité de population basse, ses problèmes de communication et ses mauvaises routes. Le développement n’est pas une science exacte ! A défaut de chiffres précis, nous aimerions vous donner quelques exemples d’effets dus à ce programme, que nous avons pu constater ces dernières années.

En collaboration avec une ONG suisse, nommée École instrument de paix, nous avons organisé deux ateliers sur les droits de l'homme en milieu rural, dont un à Ouagadougou. Il s’agit de montrer aux communicateurs que les droits de l'homme ne sont pas une invention des Occidentaux, mais qu’il existe des valeurs positives dans toutes les cultures, qui vont dans le sens de ce qu’on appelle aujourd’hui les droits de l’homme. Dans ce cadre, à Ouagadougou, il a été produit un magazine radio qui a bénéficié de quelques 150 diffusions. Ceci représente en tout environ 10 millions d’auditeurs et d’auditrices. L’ampleur de cet impact est surprenant ; il nous incite à mettre l’accent dorénavant sur le travail en réseau.

Autre résultat intéressant, sur le plan institutionnel cette fois-ci. En collaboration avec la CIR-TEF (Conférence interrégionale des radios-télévisions d’expressions française), nous avons lancé une réflexion sur la nécessité, dans un contexte de pluralisme radiophonique, de transformer les radios-télévisions d’Etat en radios-télévisions de service public. Des ateliers à Bamako, au Madagasgar et à Libreville ont permis d’établir, au-delà des codes de déontologie journalistique, un code de conduite des collaborateurs de l’audiovisuel du service publique. Ce code est important. En effet, les deux premiers ateliers avaient fait apparaître qu’un des principaux obstacles à l’émergence d’un véritable service public ne se situait pas nécessairement du côté de l’État, mais au niveau des collaborateurs qui ne comprenaient pas qu’ils peuvent garder une certaine autonomie même s’ils sont payés par l’État.

Les radios rurales ont un impact plus ou moins ponctuel, certes ; mais ce qui nous semble important, c’est la dynamique qu’elles peuvent créer et la force motrice qu’elles peuvent générer. Nous avons constaté à maintes reprises des impacts directs ou indirects des radios rurales par rapport à des problématiques comme la démocratisation, la gestion de conflits, l’écologie ou la santé.

L'expérience des dernières années nous montre l'importance croissante des nouvelles technologies de l'information pour les pays du Sud, et surtout pour les radios rurales. En particulier, les nouveaux supports audio-numériques comme les CD ou les Digital Video Discs (DVD) vont permettre de conserver durablement la culture orale.

Le seul secteur dans lequel la DDC a réalisé et réalisé un programme de coopération culturelle au sens plus étroit du terme (culture comme ex-
pression artistique) est la coopération avec les états de l’Europe centrale et orientale, et ce depuis 1990.

L’objectif général de cette coopération est l’accélération des processus de transition de ces pays et leur intégration dans le contexte culturel européen. La phase traversée par ces pays depuis une décennie a eu des conséquences profondes sur la vie artistique et les institutions culturelles : diminution de l’aide étatique et de l’occupation, remise en question du rôle social de la culture. La survie de nombreux artistes et des organisations culturelles dépend désormais beaucoup de leur disposition à se prendre en charge et du développement de leurs capacités entrepreneuriales.

Les créateurs et les intermédiaires culturels jouent dans cette période de transition un rôle important dans la mesure où ils créaient un espace de confrontation critique entre valeurs et comportements du passé et perspectives d’avenir, de thématisation d’une identité qui change. A travers la fondation Pro Helvetia la coopération suisse gère un programme culturel dont les objectifs principaux sont : l’amélioration des conditions institutionnelles dans les domaines de la production et de l’intermédiation culturelle, la promotion des relations culturelles entre les pays d’Europe orientale et occidentale. Des objectifs plus détaillés ont été formulés pour chaque pays et — bien entendu — pour chaque projet.

Parmi les objectifs plus significatifs pour les différents pays citons :

- la réduction de différences régionales, par la promotion d’institutions décentralisées
- l’amélioration des capacités de gestion des institutions et des organisations culturelles et l’augmentation de leur degré d’autofinancement
- la promotion d’initiatives venant de minorités.

En ce qui concerne les instruments utilisés pour réaliser ces objectifs, l’accent s’est déplacé progressivement du simple financement de petites actions à l’élaboration de projets plus complexes en partenariat, dans le but d’améliorer la planification et la gestion et de garantir une meilleure efficacité. La coopération suisse n’est donc pas uniquement bailleuse de fonds, elle accompagne la réalisation des projets à travers des antennes de la fondation Pro Helvetia situées dans les pays bénéficiaires, où des ressources à la fois suisses et locales sont disponibles.

On peut dire que sur l’ensemble des projets réalisés, les objectifs fixés ont été réalisés à environ 80%. En ce qui concerne les objectifs principaux, indiqués auparavant, on peut tirer un bilan certainement positif, avec quelques zones grises :

- les organisations et institutions soutenues sont pratiquement toutes actives en dehors des capitales, dans des régions décentralisées ; il est ainsi possible de promouvoir des productions artistiques moins liées aux grands réseaux officiels nationaux ;
- une amélioration des capacités de gestion peut être attestée (planification, finances, information et documentation). Les institutions ont été capables d’identifier des sources de financement diversifiées. Malgré le volume d’activités en augmentation, le degré d’autofinancement de ces institutions s’est cependant révélé comme encore insuffisant (nettement inférieur à 50%). La survie de ces institutions à moyen terme ne semble cependant pas compromise ;
- les efforts nécessaires pour développer les capacités de gestion ont en partie absorbé les énergies nécessaires à la recherche de réseaux en dehors du pays. Ce point peut être considéré comme critique. Les différences des niveaux des coûts entre ces pays et les pays occidentaux est aussi un élément qui a joué un rôle dans ce domaine ;
- un point négatif a été la non réalisation de projets concernant la promotion des minorités : des essais de lancer des projets en partenariat avec des communautés tsiganes en Hongrie, par exemple, ont échoué face aux difficultés de celles-ci de s’identifier avec l’appareil méthodologique et administratif relatif à nos projets. Il y a là un enseignement important à tirer, par rapport à ce que nous disions en introduction.

Face aux expériences positives faites jusqu’ici dans les pays de Vizegrad, la coopération suisse entend dans les prochaines années déplacer le centre de ses activités dans la région de l’Europe de Sud-Est, de l’ancienne URSS et de l’Asie centrale en développant son instrument des projets prioritaires. Les expériences faites dans cette région, dont les indicateurs socio-économiques s’approchent dans certains cas à ceux des pays en développement, fourniront certainement des enseignements utiles pour notre travail futur dans les pays du Sud.

Permettez-nous de citer un dernier exemple d’un autre secteur des activités de la coopération suisse. Nous attribuons une grande importance à la sensibilisation du public suisse aux problèmes,
Culture Counts

Mais également à la richesse culturelle des pays en développement. C'est pour cette raison que nous avons mis sur pied un programme d'échanges culturels Sud-Nord destiné au public suisse. Dans ce cadre, priorité est donnée au cinéma en provenance du Sud, que nous soutenons par des appuis à la production et à la distribution.

Vous connaissez les coûts élevés de la production culturelle et notamment de la production cinématographique. Il va de soi que nos actions de promotion culturelle ne peuvent malheureusement jamais être plus qu'une goutte d'eau sur une pierre chaude. Mais il s'agit d'une goutte très appréciée par les cinéastes et d'un soutien qui, de plus, peut avoir un impact intéressant du point de vue développement culturel, à condition qu'il vise un effet structurant dans les pays du Sud.

Ainsi, un apport financier relativement modeste de notre Direction a permis au cinéaste cambodgien Kitty Panh de réaliser le premier film indépendant dans l'histoire du cinéma cambodgien. Il s'agit de "Les gens de la rizière", un film qui a connu un vaste succès tout autant auprès des festivals de films qu'auprès du public en Suisse et ailleurs. Le jeune réalisateur a ensuite fait son bout de chemin et confirmé son immense talent avec son deuxième film tourné au Cambodge, "Un soir après la guerre".

On ne peut pas nécessairement toujours compter avec de tels effets structurants. Mais il faut les viser; ils ont l'avantage d'être dans l'intérêt des gens et des cultures aussi bien du Sud que du Nord.

Najah El-Attar
Minister of Culture
Syria

Our concept of culture is based on understanding culture as the outcome of intellectual and mental activities of men, as being a spiritual necessity and not an additional luxury. Cultures, we strongly believe, should operate in a universal humanitarian trend which guarantees positive interactions, equality and mutual respect: repelling aggression and injustice, and achieving just peace, security, independence, freedom and progress. Culture is a decisive factor to eliminate wars and bring about national liberation, just settlement of regional conflicts based on UN resolutions, and international legitimacy. On the other hand culture should contribute to protect the environment and to promote economic and social progress, thus developing agricultural, industrial, and educational capacities, for the betterment of man's life.

Returning to the main subject of the session, I must say that we highly appreciate the role of bilateral and multilateral agencies in sustainable development, but unfortunately not much has been done in our region, taking Syria as an example, with the help of these agencies. However, this meeting is a good moment to evaluate the actual situation and discuss future programs.

In fact, I am not intending to repeat ideas and known information about economics of culture in sustainable developments. Many public and private institutions, along with UNESCO and the World Bank, already manifested their attitude through several meetings and conferences devoted to this question. The developing countries sincerely hope that this conference will satisfy their need in making culture play a primary role and become a major instrument for economic and social growth of their societies. These countries wish to see culture operating to respond to increasing challenges which they are facing on different levels. It is clear that these challenges, and means to confront them are not always the same, which means that we have to examine every specific case in order to draw our cultural policies and define the priorities of economic and social development. It is very encouraging that the World Bank, UNESCO, and other governmental and civil institutions are involved in ac-
tions to sustain development through culture in developing countries. This will facilitate achieving our main goals to enhance the life of the people and respond to the crucial needs of society, to confront poverty, save the threatened part of the population, improve social cohesion and reduce conflicts through assuring individuals the right to employment, education, housing, health insurance, and training.

We in Syria—in spite of the priority of national defense which takes a major part of our finances and resources—are providing long-term programs of economic and social development. Since 1970 we initiated a large inclusive cultural policy with a special emphasis on younger and teenage groups of the society, introducing new horizons of cultural aspects, previously unavailable, and developing our cultural international cooperation around the region and the world.

Without going into detailed quantitative assessments, I may indicate that we are aiming at putting culture in hand of all people, through concentrated activities in the fields of heritage; cultural centers; cinemas; national theaters; children's pantomime; experimental theaters; mobile theaters; publication of book, both written and translated; popular and modern arts; music; folklore; National Library; libraries; elimination of illiteracy; living languages; literature and social and behavioral life. Actually, there are institutions already existing and under construction which are dealing with these topics.

Considering the exceptional richness of Syria's cultural heritage, especially archeological heritage, the Directorate General of Antiquities and Museums in the Ministry of Culture put special focus on this field, which is a heavy burden but gives us remarkable advantages based on the unique and incomparable role of Syria in the appearance and expansion of civilization through the world. Discoveries showed that it was in Syria that for the first time man constructed and settled villages; practiced agriculture and domestication; invented the first writing; formed cities, states and empires; developed administration, trade, art, cults, religion and many other social, economic, and spiritually creative steps which are the basis of our civilization. We consider that heritage is not only a matter of national identity but it must also become a key factor for future development of the country. This means that intensive and broad actions are to be taken on the level of museums, archaeological sites, exhibitions, excavations, restoration, formation, and all other activities related to heritage. Tourism that is associated with heritage-related industries and investments has to become a source of income and prosperity of the people. I would like to describe some major programs with different international partners that were started within the past few years.

Conservation and Rehabilitation of Historical Cities

Conservation and rehabilitation of historical cities includes not only the archaeological sites, but also living historical cities where the challenges are more complicated. The aim is to create a balance between protecting the urban and architecture context of the old cities and providing their revitalization processes. It is a very delicate task in which we have to respect the past, keeping the integrity and originality of heritage, but also facilitate present life and foresee the future to meet growing socioeconomic needs of the society.

The project of rehabilitation of Old Aleppo is the best example here. This project is initiated with help of the German Agency for Economic Cooperation (GTZ) with participation of the City Administration and the Arab Fund. It aims to renew and improve the economy and infrastructure of the Old City, on one hand to meet the increasing and legitimate needs of its inhabitants, and on the other to restore and protect the historical urban tissue of the city. So the project has completed and achieved overall development plans aiming for both preservation and social renewal. The project is functioning; the first stage (1993–1997) was achieved and the second stage (1998–2000) is now operating.

Smaller-scale planning projects, studies, and documentation are taking place at Palmyra, Bosra, and Damascus, all listed as World Heritage Sites.

Restoration and revival of Arabo-Islamic citadels. This is a strategic project which needs great efforts on many levels. It started in the Damascus Citadel in 1996, as a pilot project with UNESCO, University of Cairo, University of Sorbon and Institut Français des études Arabes i Damas (TFFAD). Other projects are hoped to be begin in 2000 with cooperation of Aga Khan Foundation at Masyaf, Saladin and Aleppo citadels where it is intended to establish a laboratory.
of restoration. It is a project of high priority, since in Syria we have about 50 citadels which played a very active role throughout history, since the Roman period but mainly the Byzantine, Arabo-Islamic period, and the Crusades. Around 20 citadels are still well-conserved and could be, if prepared, used in different cultural, scientific, and touristic functions. Due to the expected social, cultural, economic and touristic impact of this project, we especially appreciate here international participations.

Development of cultural tourism. This program aims to modernize and promote tourism, in connection with archeological sites which attract and satisfy tourists, through rehabilitating and managing eight major historical sites in Syria, including Damascus, Aleppo, Bosra, Palmyra, Maaloula, Crak des Chevalier, Saint Simeon, and Ugarit. It aims also to encourage marketing and travel agencies, in addition to form a qualified personnel in the field of tourism. It is prepared with European Union in the frame of Euro-Mediterranean partnership. It is expected to start in 2000.

Excavations and Researches. More than 80 international, archaeological missions are working in Syria, excavating, studying, and investigating sites of different periods. This helps in providing new programs of bilateral and multilateral cooperation, in the field of studies, researches, and training.

Formation, saving cultural heritage. It intends to form, and train qualified Syrian staff: restaurateurs, researchers, and other technicians specialized in the preservation and restoration of cultural heritage. It is expected to start soon with the participation of 16 European missions excavating in Syria, in the frame of Euro-Mediterranean partnership. It is financed by the European Union.

International archaeological exhibitions. Exhibitions play a primary role in encouraging tourism and developing historical and cultural knowledge through international access to our cultural resources abroad. Since the 1970s, we have organized around 30 international archeological exhibitions. Some of these exhibitions, in particular Syrie, Mémoire et Civilisation (France 1993) and Ebla, aux Origines de la Civilisation (Italie 1995), were met with great success. Another outstanding exhibition, Syria Land of Civilizations, is under preparation (Switzerland, Canada, and United States of America 1999–2002).

Construction and renovation of museums. Museums are a major field of education linking cultural heritage with economy; new opportunities; sustainable jobs; and improving the industry of cultural tourism, trade, and crafts. We already have around 50 archeological and ethnological museums. We just inaugurated a new archeological museum in Hama. Two year ago we opened a new museum in Deir ez-Zor. Under construction are new museums: Dar’aa (near completion) and the Natural History Museum in Damascus (expected to be completed end of 2000). We expect in 2000 to start construction of Rakka, Hassakeh and Lataquieh museums. In addition we are looking for suitable land for a new museum in Damascus. The construction and renovation of Syrian museums became another project of high priority for which we are seeking help and partnerships.

Private Sector. Unfortunately, until now, the Syrian private sector has not shown interest in cultural sponsorship. There is however the case of Aidi Foundation, which is involved, since 1990 in a systematic program of restoration of the classical city of Apamea. Recently the same foundation is financing a project of saving and protecting, by dismantling and relocating, a group of exceptional Neolithic houses from Jerf Ahmar village, threatened by flood of a Dam’s Lake.

We work not only to preserve archeological heritage, as human heritage and national identity for future generation, but also to use it in a proper way to improve the quality of life of our people and create cultural, scientific, and touristic contact with the rest of the world. The benefits of undertaken projects, plans, and initiatives are expected to increase, though a lot is still to be done. We are willing to raise awareness, but also funds to promote cultural partnerships with international communities. This will enable us not only to preserve and reconstruct the past, but also to satisfy and enhance the present and build a better future for coming generations.

To sum up, we have two major projects which perfectly fall in the scope of this conference about culture in sustainable development, because of their positive crucial impact on environmental, cultural, economical and social levels: Rehabilitation of Old Citadels starting with Damascus.
Michael Bohnet  
Director General, Bilateral Operations  
Federal Ministry for Economic Cooperation and Development, Germany

Culture is an important resource for development. In the field of development cooperation, the aim is to strengthen cultural identity, to preserve cultural diversity, and to promote intercultural dialogue. As James Wolfensohn put it yesterday, “culture unites us all”. The cornerstones of sustainable development are democracy, sustained growth, ecology, and culture. In this session, I would like to present a twofold approach:

(1) The presentation of examples of culture projects in developing countries supported by the Federal Republic of Germany in the context of its development cooperation policy. I would like to underline at the beginning that the main aim of our policy in this regard is to strengthen local institution building and to create strong links to training and education programs. The issue of social and environmental benefits also is of great importance. The question of how these projects create local employment or create new opportunities for the poor is of minor importance. I would like to present some case studies of culture projects supported by German development cooperation:

- The Jordanian-German project for the establishment of a conservation and restoration center in Petra;
- Urban development in Bhaktapur, Nepal;
- Protection of archeological areas in the Petén, Guatemala;
- Urban development of the Old Stone Town of Zanzibar, Tanzania; and
- Intercultural bilingual education in the highlands of the Andes (Ecuador, Peru, Bolivia).

(2) Much more relevant to the German development policy strategy is the question how aspects of culture could be integrated into the planning cycle and implementation process of “regular” projects and programs of development cooperation. In this regard, we introduced “sociocultural criteria for development cooperation projects” as early as 1982, based on a unanimous resolution of the German Parliament calling on the Government of the Federal Republic of Germany to give greater prominence to cultural factors in the preparation, implementation, and evaluation of development projects.

and/or Aleppo Citadel and renovation of Syrian Museums starting with Damascus and/or Aleppo Museum. I warmly invite the concerned institutions to bring their assistance to these top priority projects, assistance for which I give the deepest thanks in advance.

Finally, I hope that this meeting will manifest and explore new ideas and actions about culture and sustainable development, and will move toward strategic and concrete activities; grouping decision-makers, experts, thinkers and sponsors who will investigate the best practices; linking culture with development to respond to the challenges of globalization, Internet, and high techniques of communication and information; and fulfilling the increasing requirements of the 21st century.
Case studies of culture projects supported by German development cooperation

Establishment of a Conservation and Restoration Center in Petra, Jordan

One of the priorities in German technical development assistance to the Hashemite Kingdom of Jordan is the strengthening and upgrading of local institutions, an effort that is also referred to as “institution building”. Within this framework, GTZ (the German implementing agency for technical assistance projects) is currently assisting the Jordanian Government in establishing a much needed conservation and restoration center in Petra, through the Petra Stone Preservation Project.

The prime goal of the project funded by the German Government is to assist the Jordanian Government in the establishment of a conservation and restoration center in Petra—to be operated entirely by Jordanian specialists and staff—that will be able independently to plan, execute, and supervise conservation and restoration work on the Petra monuments. After completion of the project, the restoration of the monuments in Petra will be an entirely Jordanian affair. Rather than having to rely perpetually on external help, the Jordanian experts will thus be able, with the capacity, to preserve this important site. Eventually, the newly established center will form the nucleus of an institution addressing the conservation and restoration needs of monuments on a nationwide basis and offering advisory services to the entire region.

A number of measures have been implemented to ensure that this goal is reached. Currently, the German Government is contributing to the development of the center in the following key areas:

- Elaboration and implementation of internationally accepted and adopted procedures for the preparation, execution, and documentation of conservation and restoration work in a World Heritage Site;
- Selection, delivery, and procurement of tools, equipment, and machinery essential for the execution of restoration work;
- Expansion of the capacity of the existing infrastructure in the field of research, higher education, planning, administration, recording of data related to stone conservation and restoration issues, as well as creation of facilities for material testing, storage, maintenance, and repair;
- Planning, construction, and equipping of a conservation and restoration center at an agreed site;
- Execution of training programs tailored to the specific needs of Jordanian staff on site, in Germany or in other European countries, programs for selected staff aiming at enabling them to run and operate the new center;
- Increasing awareness of conservation issues among the public and the local institutions concerned and thus expanding the local support structure, through a series of lectures, presentations, radio and television interviews, television features, newspaper articles and special publications, workshops, as well as conference contributions.

The approach chosen appears suitable to ensure long-term sustainability of the project, where technical development assistance is combined with the creation of both a supporting foundation and the creation of a largely independent institution with its own facilities, funding, and salary structure. At the end of the project, a local institution staffed with experienced professionals and fully equipped to fulfil its various functions will be in charge and will have the capacity to preserve the country’s built cultural heritage. It will be the first operational conservation institute of its kind in the region.

The center is already fulfilling most of its designated functions. It started to operate in March 1996, when restoration of the first monument began. The project has been under way since the end of 1993 and is currently in its sixth year of execution. The German contribution is DM6 million.

Urban Development in Bhaktapur, Nepal

The town of Bhaktapur has a great number of culturally, historically and urbanistically significant buildings and places dating back to the period between the 15th and 18th centuries, when a highly developed urban culture existed, based on trade with Tibet and on Bhaktapur’s independent status as a Kingdom. After the loss of independence and the collapse of trade with Tibet and the major earthquake of 1934, Bhaktapur underwent a process of gradual implosion. Starting in 1974, the Bhaktapur Development Project supported by German development cooperation tried to reverse this trend.
The main purpose was to improve the living conditions of the inhabitants of Bhaktapur by:

- Maintaining the historic urban appearance,
- Changing hygienic conditions, and
- Strengthening local administration including the self-help potential of the population.

What has been achieved?

- Elaboration of an urban development plan,
- Health and hygiene education and motivation among the population,
- Restoration of about 130 buildings,
- Rehabilitation of tanks and water places, and
- Construction of six new schools and rehabilitation of 60 schools.

The projects realized under the Bhaktapur Development Program changed the living conditions of the population drastically. The new water supply and sanitation system, the construction of toilets, and education in health and hygiene changed the health situation of the entire population. The creation of new jobs, fostering of small enterprises and the new attractiveness of the restored town for tourists brought back part of the former economic potential. It also strengthened awareness of local history. The German contribution to the project was DM15 million.

**Protection of archeological areas in the Petén, Guatemala**

The Petén area has some of the most important Mayan buildings of Central America. At the end of the 1980s, high rainfall intensity, tropical vegetation and the looting of graves and stealing of treasures caused nearly irreparable damage to the buildings. Since that time, the National Institute of Anthropology and History of Guatemala has been carrying out conservation and survey tasks especially in what is called the triangle region (Maya Monuments of Yaxhá-Nakum-El Naranjo) with the aim of creating a Nature and Archeology Park to preserve, and make sustainable tourism of the cultural and natural heritage of the Petén region.

The German contribution consists of:

- Topographic mapping,
- Rehabilitation and conservation of buildings,
- Installation of the Nature and Archeology Park and ensuring its constant operation, and
- Training the national institutions so they can take over responsibility after German support has been phased out.

To sum up, the purpose of the project is multifaceted, with the main emphasis on institution building and sustainable development. The German contribution to the project was DM4 million.

**Urban Development in the Old Stone Town of Zanzibar, Tanzania**

Even with normal rainfall conditions, the old center of Zanzibar suffers flood situations which provoke mosquito invasion and raise the risk of malaria infections. The floods are destroying ancient houses, they mix rainwater with waste causing a number of other diseases and they pollute the seaside area. Since 1994, German development cooperation has been helping especially in three areas:

- Ameliorate the health situation of the inhabitants, specifically those of the historical center;
- Contribute to keeping the historical center attractive for tourists; and
- Keep the shore area clean.

This is realized by:

- Sanitation and drainage system rehabilitation,
- Radio and television hygiene campaign, and
- Creation of self-help groups for urban cleaning and maintenance.

To summarize, the main purpose is to strengthen self-help activities. The German contribution to this project was DM 15 million.

**Intercultural bilingual education in the highlands of the Andes (Ecuador, Peru, Bolivia)**

The purpose of the program is improved and sustainable provision of primary education for the highland population in the upper Andes. It is directed to those of the population whose native language is the indigenous Qichua, one of the endemic languages in the Andean region. These languages are not taught at school. That means that from the first day of school, the children acquire literacy based on a foreign language, Spanish. In a long process of analysis and studies, it was found that it is much more appropriate to children's individual development if they are taught how to read based on their own mother tongue with didactic material from their own culture and environment. Obviously, Spanish is maintained, but as the second language.

German development support comprises three areas: helping the responsible official institutions in working out curricula, elaborating didactic materials, and training teachers. Our co-operation
started in the 1970s in Peru, later including Ecuador and still active today in the Bolivian education reform, of which Intercultural Bilingual Education is an integrated part. The German contribution to the 20-year-old program has been about DM30 million.

Sociocultural Criteria for Development Cooperation Projects

In the past, experience proved repeatedly that sometimes even projects whose economic and technical planning was “correct” did not always achieve their targets, or only achieved them at considerable expense in terms of follow-up activities. If inquiries are made which go beyond “project success” to “development success” (significance)—in other words if we ask whether the impacts initially hoped for outside the immediate project area or after completion of the project (such as transferability, sustainability and linkage effects) have actually been achieved—then the results are even less positive.

It is not difficult to conclude that in the past, planning has neglected certain specific preconditions for success relating to the societal environment, conditions which cannot be defined in economic or technical terms. This problem was addressed by the German Parliament early on in its unanimous resolution of March 5, 1982, that states, “The Government of the Federal Republic of Germany should give greater prominence to cultural factors in the preparation, implementation and evaluation of development projects.” These preconditions for success evidently relate to specific factors which we describe as “cultural” or “sociocultural”. For the practitioner, cultural economics can offer useful tools for the planning process.

Cultural and sociocultural factors

The definition of cultural factors should cover all indicators which (by contrast to sociostructural factors) remain stable in the medium term and which are specific to a given society; in other words, those which distinguish one society from another. Sociocultural is then the definition to be given to factors whose role in linking functions within a society is under discussion.

There are hundreds of definitions of the term, culture. For all their differences, however, many of these definitions contain two categories of elements in particular:

- Elements that express different orientations in society, such as values, norms, patterns of behavior;
- Elements that are indicative for the degree of social complexity achieved in respect of the establishment of institutions and the development of productive forces.

Culture is not regarded here as something static, but as a flexible system of symbols, which—depending on the circumstances—can be inhibiting or conducive to development.

The problem in development practice

Development cooperation is faced with the question of how the whole range of sociocultural factors, which are evidently relevant to development, can be an integrated part of the planning and implementation activities. The starting point must be that all actions (whether individual or collective) will only be successful if the objective of the undertaking meets with approval from the main participants.

The sociocultural approach asks what the target groups and target populations can do and are willing to do, not what the ruling elite or external development agencies think they should do. It emphasizes the autonomy of action of those directly affected. Furthermore, the vast majority of developing countries are not inhabited by homogeneous populations. In processes of self-definition, population groups have emerged (and are still emerging) which are differentiated by religion, language, and way of life.

Area of validity

In the sociocultural field, just as in the fields of economics and the environment, criteria can be drawn up which have general validity; it is obvious that they will vary in their regional and sectoral application. The significance of the sociocultural issue for technical cooperation projects is evident: the active participation of the population is decisive for the success of the project. Financial cooperation projects are directed towards the population, in terms of both their genesis and the sustainable use of project installations by the recipient community. Particular consideration should also be given here to the sociocultural implications.

Sociocultural criteria—which need to be defined in more concrete terms at the implementing level—are required for assessments in all project phases (identification, planning, imple-
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In the case of project implementation, the role of sociocultural aspects is not insignificant, inasmuch as culture-specific values and types of behavior come into the interaction between those involved. The participants should therefore know about the problems and possibilities of intercultural communication.

The key factors are legitimacy (acceptance) and sociocultural heterogeneity. Since the key factors reach beyond the immediate project reference, they are used for the overall assessment of a country in connection with the determining of sectors and regional focuses for cooperation (sociocultural country analyses as part of country strategies).

The key factors must be applied to individual projects in a way appropriate to the instruments of development cooperation, so that they do justice to the complex variety of regions and sectors. The sociocultural issues which this process brings to light should not be recorded and assessed as isolated factors; rather attempts should be made to achieve a comprehensive approach which makes it possible to integrate sociocultural aspects into all fields of investigatory relevance. In this sense the following questions give the first indication of important project-related sociocultural problem complexes:

- **Legitimacy**
  - Is the problem set out in the project proposal defined from the point of view of those most closely involved, namely the participants?
  - Do the project-executing agencies (authorities, organizations) which already exist or are to be created enjoy sufficient legitimacy/acceptance among the target groups and their own staff to ensure the necessary motivation for sustainable functioning (such as for maintenance work and servicing)?

- **Sociocultural heterogeneity**
  - What impacts on the project and the society of the recipient country can be expected in the culturally heterogeneous milieu through the selection of location, sector, and project-executing agency? Will new imbalances be created or existing ones exacerbated?
  - Does the project concept take sufficient account of the possible heterogeneity of the target group (including gender-specific aspects)?

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**The sociocultural counseling approach**

A promising approach to increasing sociocultural competence is to be found in process-oriented, sociocultural advisory services for projects. By the provision of specialized expertise, projects in their design phase are assisted in developing and implementing a participation-oriented and socioculturally aware course of action. In particular, the potential of social science methods and approaches is to be used here. For example, three projects in the design phase are being supported by sociocultural advisory services (erosion control in Niger, agroforestry in Panama, family health in Nepal).

So far, sociocultural advisory services have shown a great potential for effectively increasing target group participation and acceptance of project goals shared by the project team and the population. What is really needed for the future of development policy is a new type of responsibility which is based on the recognition that culture is at the heart of the development strategy. If we consider culture to be the seismograph of societal development, the viability of societies is closely intertwined with the question whether culture has a chance to unfold with all its vitality, because after all, human creativity is the very core of what we consider as freedom.
Globalization, Nation-State, and Cultural Identity

The term “globalization” tends to be identified with economic globalization while the political, ecological, cultural, and social aspects of the process are overlooked. Many of the ideas that predominate today contain and focus on the vision of an almighty world market which both states and citizens are ill- and ineffectively equipped to deal with and respond to. According to this vision, the world market gradually replaces political power. Under a monicausal, linear, and economics-based approach, the multidimensional aspect of globalization is reduced to just the economic dimension and the others are subordinated to it. In this way, attempts are made to blur the basic distinction that exists between economics and politics. One of the fundamental tasks of politics—to establish clear social, legal, and ecological frameworks within which economic activity is possible and socially legitimate—is thus alienated.

Many novel elements appear in society as it undergoes different kinds of globalization processes: changes in lifestyles, for example; polycentrism in international politics (governments and transnational and nongovernmental agents); the translocation of labor, capital and community; the profound and confused notion of transnationality (in tourism, the media, and consumption) in multiculturalism and global cultural industries. The question arises as to how and to what extent people and different cultures see and identify themselves in their differences and to what extent their self-perception influences and modifies their behavior.

Along the same line of thought, we need to ask, on the basis of an appreciation of the reciprocal interdependencies that spring from transnationality (which are still asymmetrical and constantly increasing) how the idea of the world as a single place is being understood and absorbed, how the awareness of globality affects us, how this awareness is reflected or distorted in the media, what shape it takes in transcultural production and what the appropriate monitoring mechanisms and responses are in each case.

The aim of this introduction is not to tackle the challenge of trying to answer these questions, but to highlight their validity as a critical approach and guide for the consideration of yet other issues. Globalization calls our attention to the transcultural production of cultural symbols and meanings. The cultural aspect of globalization creates an important crack in the State and societies by enabling lifestyles to be compared and transcultural communications to be established, which convey images, values and content that affect identities that were previously mainly limited to the national environment. “Local” and “global” are not mutually exclusive, however, they are the poles of a continuous spectrum, of a yin and yang. Globalization also motivates encounters, interaction and the boosting of different local cultures. Global culture can therefore be understood as a contingent and dialectical process in which contradictory elements appear and are included along a “local-global” axis.

One of the possible means of analyzing the cultural aspect of globalization therefore is to study the change of traditional and modern, territorially-based, cultural identities to other modern and post-modern, transterritorial kinds of cultural identities. On the whole, as García Canclini points out, cultural identities in globalization tend not to be structured according to the logic of the nation-state, but to that of transnational entities and markets; they are not essentially based on oral and written communication, but operate through the industrial production of culture, its technological communication and the deferred and segmented consumption, as the case may be, of goods.

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3 U. Beck, ¿Qué es la globalización? Falacias del..., op. cit.
4 U. Beck, Ibid, Chapter II.
7 Robertson, Globalization, op. cit.
This promotes a growing conflict between the various aspects of cultural identity in its traditional, modern, and post-modern manifestations. This conflict is permeating international and transnational relations today. This tension and antagonism largely respond to the profound contradictions that are brought about by the modernizing force of the globalization process at the economic and social level. In a significant number of cases (such as in sub-Saharan Africa and Central Asia), it is impossible to achieve better living conditions within the economic paradigm that dominates today because they do not have the minimum resources that are needed for them to do so. This creates frustrations and strong resistance to neo-liberal style modernization in these societies and a generally authoritarian and occasionally fundamentalist reaffirmation of their endogenous cultural nucleuses.

It also similarly inspires political elites and diverse social agents in many cases to search for more endogenous kinds of models that aim to take their ethnic diversity, their limitations in terms of economic resources, the new challenges facing the political system, the fundamental elements of historic heritage, the requirements of competitiveness and their development expectations into account in a more balanced and compatible manner. This, in our opinion, is the path that Latin America and the Caribbean should explore without delay.

Within this context, the cultural dimension and communications acquire particular importance as far as building a new identity, citizenship, and state in our region is concerned. Latin American and Caribbean social movements are trying to redefine the concept and practice of citizenship by looking beyond its juridical-political dimension. If these needs are not assimilated and adequately responded to, there is a risk that they will turn into centrifugal forces as a result of growing differentiation occurring along socioeconomic, and racial lines. We should bear in mind that whatever the state fails to do adequately will be directed and shaped by the forces of consumption, the market and the mass media.\footnote{This term is used in the sense used by Giddens: the defense of a series of doctrines by rejecting a model of truth that is linked to the dialogue initiated in a public space. (See Anthony Giddens, \textit{Más allá de la izquierda y la derecha}, Edic. Cátedra, April 17, 1998, pages 16 and 17.)}

This shows that cultural globalization generates a set of phenomena that alter the processes of national societies and their external politics in several respects:

- In their understanding of globalization;
- In the construction of national identity and social response to the impact of globalization;
- In the profile of the citizen and
- In the new cultural policies adopted.

**Global Culture: Homogeneity vs. Heterogeneity?**

There are both trends of cultural homogenization and cultural heterogeneity in globalization. Those who maintain that the largest effects on the world system are homogenizing ones stress the importance of economic globalization through the action of transnational companies and the most important industrialized nations who are acting as emissary sources of messages linked to consumption and the market culture. Those who argue in favor of differentiated and heterogeneous effects highlight the dynamics of appropriation and modification with respect to the message and its symbols at national and subnational levels.\footnote{Those who stress the homogenizing force with symbolic market and consumption content include Mattelart, \textit{Transnationals and Third World: The struggle for culture}, South Hadley, Bergin and Garvey, 1983 and C. Hamelink, \textit{Cultural Autonomy in Global Communications}, Longman, New York, 1983. Those who highlight the differentiating effects and the ability to “nationalize” or “indigenize” them include M. Yashimoto, “The Postmodern and Mass Images in Japan” \textit{Public Culture} 1 (2), 1989 and V. Han nerz, “Notes on the Global Ecumene”, \textit{Public Culture}, 1 (2), 1989.}

As we see it, globalization triggers mechanisms that act in both directions and mutually boost each other. Since the first historical contacts between different civilizations there has been mutual cultural fertilization even if it has been generally asymmetrical in terms of its respective impacts. What is happening today shows some important changes with respect to the past (as a minimum on the worldwide scale), as follows:

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- (Now planetary) scope of interactions;
- Huge speed of the spread and the growing simultaneity of the impacts;
- Widening of the scope and capacity to influence the flow of the goods, messages, and ideas that circulate and interact in the world;
- Greater specialization of communication circuits that increases the breakdown of societies into differentiated strata; and
- Difference in terms of time and the content of responses (local, national).

In order to begin to understand the differentiation and heterogeneity phenomena, the fissures and lack of simultaneity among the economic, cultural, and political aspects of globalization need to be taken into account in light of the various existing flows:\(^\text{12}\)

- Ethnic flows (groups of people that act as tourists, immigrants, refugees, exiles, temporary workers);
- Technological flows (technological trends, including their asymmetric distribution, their differing content and the different factors that affect them);
- Financial flows (flows of speculative capital, market values, direct investment);
- Communications media flows (global newspapers, magazines, television networks, films, electronic mail, Internet); and
- Ideological flows (thought systems aimed at states, groups, and social strata).

The interaction among the different flows gives rise to highly complex processes which are difficult to monitor and interpret systematically. To some analysts, people, goods, images and ideas interact and circulate in multiple and irregular ways that multiply the fissures according to the sense and purpose they are awarded.\(^\text{13}\)

For example, we observe that there is increasing conflict regarding the idea-force of "democracy" between what it is considered to be in the industrialized West and how it is interpreted in various countries of Asia Pacific (such as the People's Republic of China, South Korea, Indonesia, Singapore).\(^\text{14}\) In another context, we could highlight the outcome of the interactions between ideological and financial flows (different cases in which international financial flows are capable of modifying national policies and their ideological foundations);\(^\text{15}\) between ideological flows and communications media flows (Middle Eastern countries) or among ideological, religious and ethnic flows (Yugoslavia and the Lebanon).

In light of these factors and the processes we mentioned above, the reshaping of national cultures is not a uniform affair nor does it occur with the same characteristics in the various scenarios. These important variations should therefore be borne in mind for the restructuring of cultural identities.

In short, cultural globalization involves the use of a variety of concepts, instruments and practices that to varying degrees and in various ways affect national and local political, economic, and cultural contexts. These elements, whether by means of co-operative or conflictive communications, play a role in the dialogues and concrete actions undertaken in relation to the market, democracy, free trade, sovereignty, human rights, and development. This continuous process of entering and relaying symbolic messages, goods and ideas creates turbulence and substantially affects attempts to preserve homogeneous, traditional kinds of identities at the national state level.

Multiculturalism and Interculturalism in the Globalization Process

The cultural diversity and cultural exchanges that characterize the world today form the core of a debate surrounding the notions of multiculturalism and interculturalism.\(^\text{16}\) In essence, this


\(^{13}\) Ibid.

\(^{14}\) Among Western authors, see, for example, Samuel Huntington, The Third Wave: Democratization in the Late Twentieth Century, Univ. of Oklahoma Press, 1991. As far as Asian authors are concerned, see, for example, Murugeso Pathmanathan, Political Culture. The Challenge of Modernisation, Centre for Policy Studies, Putrajaya, Malaysia, 1995.


\(^{16}\) Based on E. Negrier, “Multiculturalisme, interculturalisme et échanges culturels internationaux,” Institutions et vie culturelle, La Documentation Francaise, Paris, 1996.
debate revolves around the problems of politically integrating cultural plurality which is a characteristic feature of societies nowadays. At first, multiculturalism does not seem very compatible with the existence of a unitary State in which, in practice, the diversity of cultural identities is considered more as an acquisition made through political action than as a right, and in which cultural interchange is less important than the compatibility of cultural identity and political culture.

By contrast, the notion of interculturalism stems from the dynamics of concrete exchanges made between societies that are open but also endowed with specific cultural characteristics. Within the framework of globalization, attempts are being made to examine the influence of these approaches on the furthering of the process in which culture is both a main driving force and in some cases, one of the instruments used.

While multiculturalism focuses on the internal handling of cultural diversity (the recognition of specific traits, such as languages, at the subnational level; public policies regarding culture; and the centralization/decentralization of these policies), interculturalism studies the processes of interchange among unique cultures. It takes both the issues related to “cultural diplomacy” as a means of ensuring insertion, influence and presence at the international level as well as the problems related to them in both symbolic and material terms into account. In this area, beyond the differences of approach and practice between the two, communication, as a means of transmission and interaction, and the dialectic of the globalization-localization of culture, together create an inescapable interdependence between multiculturalism and interculturalism. The dimension, degree, and form of that interdependence is asymmetric and favors the former (some consider the relationship to be open dependence of the latter on the former) and constitutes one of the main subjects of debate at the moment because the right interpretation of the phenomenon affects the feasibility and effectiveness of the national and regional cultural policies that are intended to provide the means, room and content for cultural identity in today’s world.

Changes In Principles and the Demands of Society in the Globalization Process: Fractures and Recompositions?

As Manuel Antonio Garreton accurately points out in one of his works, upon which the ideas presented in this section are based, we are currently facing the development of a society which has yet to be clearly labeled, but which we shall tentatively refer to as an “information” or “knowledge” society. Its main axes of organization seem to be consumption and a new understanding, configuration, and form of dominance of economics and communication with respect to production, labor and politics compared with those that characterized the industrial society model. Different forms of action and new public spaces are arising (created by the mass media) which, without completely replacing the previous ones, are being added to them and superceding them to create a different totality.

This kind of society, which has still not reached a point of stability, basically responds to two phenomena: globalization and a multiform societal response. The latter is based on identities which gradually end up being expressed by other factors than labor, political standpoints or educational levels as these gradually turn out to be unable to function in the new situations and are therefore replaced (by religion, sex, ethnicity, nationality, region). This breaks the previously established correspondence between economics, politics, culture, and society; and all kinds of combinations of status are possible and arise in practice.

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18 Quoted from E. Négrier, “Multiculturalisme, interculturalisme et échanges culturels internationaux”, op. cit.
20 China, Rome and in modern times, France and the United States are some of the powers that have been characterized throughout history by an intense and rational use of “cultural diplomacy”.
21 Some of the many works on this subject are included in M. Featherstone (Editor), Global Culture, Nationalism, Globalisation and Modernity, Sage, London, 1992.
22 Manuel Antonio Garreton “¿En qué sociedad vivir(emos)? Tipos sociales y desarrollo en el cambio de Siglo” in Helena Gonzalez and Heidulf Schmidt (organizers) Democracia para una nueva sociedad (Modelo para armar), Nueva Sociedad, Caracas, 1997.
Within this context of changing and tumultuous mixtures, existing institutions are overwhelmed; they no longer express the principles, norms, and behavior in force today (which are still in the formative stage). The principles of this new society still lack the institutions that adequately represent them, and this further complicates the state’s situation when, in its present setup, it stops being an effective center for channeling and executing demands or claims or serving as a lever for social change.\footnote{Ibid.}

Ganetón points out that in this new kind of society, which is still in the formative stage, development is no longer conceived in terms of achieving economic growth and the fair distribution of its benefits, but as something, as yet unnamed, that surpasses this and which refers to concepts which are harder to define such as the quality of life or happiness. Hence, cultural diversity and interculturality arise as basic social principles in addition to integration and equality. Similarly the utopias of industrial society (democracy, socialism, capitalism) in the new society are joined and superceded by utopias of ecology, genre, communications (Internet), multiculturalism, or the expansion of identities, which impose changes in the conceptualization and practice of development (the study of “human development”). This poses a huge and as yet unresolved challenge for the construction of new institutions through political and economic culture.\footnote{Ibid.}

Once again, a cultural approach can help clarify these problems and the search for new courses of action. For example, the system which is being globalized reveals a still relatively disorganized, but solid and intense, social response in favor of a set of universal, national and even subnational values (human rights, environmental protection, development, respectively) which could represent the potential components of a new ideology\footnote{See among others, Anthony Giddens, Más allá de la izquierda y la derecha. El futuro de las políticas radicales, Catedra, Madrid, 1998, Chapter VI.} which could also provide important elements for the creation of the main framework of an identity.

Consequently what basically matters now is that cultural policies at the national level must take the new situation into account and manage to transcend tradition which should be limited to concentrating its efforts on preserving historical heritage. It is also necessary to create new public spaces through joint public-private initiatives and efforts and take different values and visions into account. Furthermore, if national elements wish to be preserved in the construction of an identity, there must be a hard core: an adequate productive base that gives rise to endogenous cultural industries with companies that can invest abroad, produce and export cultural goods and are able to support and express the new and old content of that cultural identity.

The Cultural Dimension of Integration in Latin America and the Caribbean

The points we have made in the preceding sections of this work indicate that problems and integration should be examined in light of culture because culture is a huge dynamic notion that constantly interacts with political, social, and economic action.

When Latin America and the Caribbean’s integration is considered from a cultural viewpoint, the links between processes that are normally considered separately by economic planners and decision-makers become more apparent and begin to make sense. This presentation will only provide a brief outline of the main elements, but there are excellent studies of our region\footnote{Ibid.} that provide a more than adequate basis for incorporating the concept of culture into the discussion of integration.

It is widely accepted (at least according to official declarations) that integration is a process that covers a great deal more and is much more profound than its economic aspect (which so far has focussed on trade). The cultural dimension provides an integration project with its symbolic foundations and much more if higher degrees of integration are pursued. It should be borne in mind that the GATT negotiations of the 1930s have been replaced by GATT/WTO negotiations of 1995 that now focus on cultural aspects of the integration project.
mind that we are dealing with a process of profound sociopolitical and economic transformation both at the subregional level and when the concept of a Latin American and Caribbean community of nations is put forward. This transformation means not only redefining cultural identities, but also facing the challenge of building a regional cultural entity. This will inevitably be based on pluralism as many identities coexist and interact with one another in Latin America and the Caribbean already (Meso-American, Caribbean, Andean, River Plate, those of each country and subregion) and it will also have to bear in mind that through the cultural industries, an increasingly extensive sector of audiovisual and information media, (both of which are currently decisive in the configuration of identities) is going beyond national and regional borders. As the most widely spread cultural messages and goods originate from transnational centers and circulate through networks and satellites over which states have little control, cultural policies will, if they are to increase the states’ capacity for action, have to incorporate new ideas and elements that modify and expand the mechanisms used when the entities merely coincide with each nation’s territory.

Let us consider both aspects of this issue. On the one hand, a highly important historical process requires the convocation of traditions, symbols, and representations in order to create a new social set of beliefs that uses history to legitimize action and as a source of collective cohesion. This process is very slow as the building of the European Union, among other examples, has shown. It requires a deliberate action policy, the extensive participation of civil society and the increase of knowledge and interaction at all levels (which will not always be co-operative) among the peoples of the region. As we commented earlier, cultural identity is not alien to political power. Building subregional and regional identities requires a huge conscious effort, in other words, active policies based on the multiculturalism that already exists in Latin America and the Caribbean and our shared regional history.

The cultural dimension is formally included in most of the subregional integration schemes underway (in CAN, CACM, CARICOM and MERCOSUR), but we must admit that in general it is far from being a priority on the negotiations agenda; and cultural policies focus on the defense and reproduction of historical patrimony and on the reproduction (in the traditional way) of national identities. In MERCOSUR, for example, the teaching of Portuguese and Spanish, the circulation of writers and artists, joint editions and prizes and the spread of knowledge of cultural values and traditions are mentioned, but cultural identities are given far less consideration both in terms of the strategic conceptualization of their importance and the concrete measures implemented for their development.

Many possibilities are waiting to be developed in the subregional integration schemes. Enrique Saravia, for example, suggests 19 items for the creation of a “future agenda” for cultural affairs in Mercosur.31 In this context, universities, parliaments and companies should work together with governments and the various nucleuses and movements of civil society.32

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27 N. García Canclini, “Políticas culturales: de las identidades nacionales...”, op. cit.
28 Ibid.
30 See, for example, José Joaquín Brunner, Un espejo trazado. Ensayo sobre cultura y políticas culturales, FLASCO, Santiago, 1988, and the paper by Néstor García Canclini quoted above. This situation has arisen despite the efforts of UNESCO, the Andrés Bello Convention, the programs implemented by the Forum of the region’s education ministers and numerous national and regional entities and organizations. Regarding cultural activity in MERCOSUR, see Waldo Ansaldi, “Integración cultural. Una identidad...”, op. cit.
32 We should point out the following examples: the creation of the University of Latin America and the Caribbean by the Latin American Parliament and the establishment of the International Foundation for Cultural Development in Latin America with the participation of UNESCO, the IDB, the OAS, SELA, the ADC, the World Bank and private Latin American banks.
Without denying the importance of traditional culture and the fact that most literature, plastic arts, dance (but not cinema), radio, and television are produced and circulated at the national level, and in some cases have conquered markets abroad (soap operas in the case of Mexico, Brazil, Venezuela and Argentina), tackling the issue of cultural identities today (and in the near future) requires policies that concentrate efforts on the cultural industries.\textsuperscript{33} There is a concentration of media ownership and asymmetric access to their goods and messages in these industries, and it is the State and public instances (the realm of civil society) that can supervise and guide their action in favor of an external opening that is not harmful, the democratic circulation of information, and the maintenance and exchange of intranational and regional cultural diversity.

In light of the above and on the basis of the specific contributions made by the group of relevant specialists that have collaborated in the preparation of this book, what is needed is a broad concerted effort to raise awareness among governments and the private sector. The importance of the cultural dimension in regional integration and global insertion processes needs to be highlighted and the ideas that currently predominate on the subject, the policies adopted, and the content and agents with whom alliances are made in this respect need to be modified to make cultural industries a relevant target for action.

Finally, the widely acknowledged fact\textsuperscript{35} that culture, due to its complexity and heterogeneity (the existence of a craftsman's logic and an industrial logic, unique works and other reproducible ones), covers many obscure areas that are difficult to understand clearly and to handle as far as economists are concerned, should not lessen the recognition of the importance of drawing up theoretical approaches and developing an extensive managerial capacity by preparing human resources for a "culture economy". This requires an interdisciplinary approach, cultural managers, and marketing specialists with a sound administrative and economic background and economists who interact with artists, sociologists, aesthetes, art dealers, and patrons. To rationalize and financially support a range of activities. This is something that has been highly developed in Western Europe (especially in France), but which is still only in the infant stages in most of our region.

If the cultural dimension of our lives is strongly mobilized during periods of great change, this is undoubtedly because the symbolic realm, that world of representations that gives a possible sense of order to things, turns out to be a decisive realm for both the expression and resolution of tensions. In this context, culture does not escape, to the contrary, it expresses, the fractures and tensions that are arousing our societies during this stage of the globalization process. The cultural dimension as such can therefore act as the door to our growth and development or as an obstacle to these opportunities; to emancipation or to withdrawal; to integration or to fragmentation... it is up to us to decide.

\textsuperscript{33} Nestor García Canclini, "Políticas culturales: de las identidades nacionales al espacio...", op. cit.

\textsuperscript{34} See Bernardo Gentil "Les Industries Culturelles" in Institutions et vie culturelles, La Documentation Francaise, Paris 1996.

\textsuperscript{35} See, for example, Luis Bonet "La industria cultural española en América Latina" Seminar Integración económica e industrias culturales..." quoted above and Xavier Dupuis, "Les Limites de l'approche économique de la culture" in Institutions et vie... op. cit.
Session V (Roundtable A2) provides a forum for discussion on the trends in corporations, foundations, NGOs and advocacy groups in advocating or providing resources for culture in development. The discussion focuses on success stories and will aim at answering some of the following questions:

- What makes investing in culture appealing to the private sector?
- What evidence is there as to the return to the private sector in the short- and long-term?
- How is the integrity of cultural assets in a marketing context protected?
- How is it possible to reach a wider involvement of private sector and civil society?
- What are some examples of successful private/public partnerships?

The moderator for this session was Umberto Agnelli, Chief Executive Officer and Vice Chairman of Fiat, Italy. His comments can be found in Appendix A.

Gianfranco Imperatori
President, Mediocredito Centrale
Italy

I am delighted to participate in this session where we tackle, at international level for the first time, the economics of cultural heritage. Funding has by tradition almost exclusively come from the public sector. However in recent years we have seen growing interest by the private sector. And today the time is ripe for rethinking private initiatives and for defining new strategies.

The private sector needs to abandon old views: investment in culture is more than image enhancement. A rather narrow concept of private participation in culture would aim at very modest short-term results by backing so-called sure winners of wide appeal.

Investment in cultural heritage that is not part of a broad policy risks being confined to sporadic actions of very limited effect. Isolated efforts will not ensure continuity and success of sponsorships. What is needed is the development over a whole sector that will create new markets. Intervention in cultural heritage is a long-term investment. It requires co-ordination of the targets and instruments available to the public and private sectors.

The way ahead lies in the realization of new projects that are closely linked to the economic and social evolution of the entire community. This change in strategy is clearly the consequence of the goals of this prestigious conference. We value the intention of the World Bank, that this conference be an occasion “to debate the key issue of culture as an integral part of development”.

And in my own opinion this new approach will mark cultural policy in the future. Thus, the role of culture changes. It becomes yet another strategic, driving force in the broader context of economic policies. Cultural heritage is a local phenomenon both in terms of history and of geography. It can therefore becomes an instrument for defining local specialization that can stimulate growth within an integrated economic system.

A recent report by The Civita Foundation stressed this point exactly. The Civita Foundation has among its members numerous important Italian businesses who share a belief in culture as a potential area for investment and development. The report was officially presented two weeks ago at Mediocredito Centrale. It focused attention on the link-up between investment in cultural heritage and economic growth. The analysis and research pointed to one basic conclusion: awareness of the cultural singularity of a country—in our case Italy with its immense
resources—should push us to design models for future growth that include both history and heritage as dynamic factors.

The title we gave the report is “A Future for History” (La Storia al Futuro, in Italian). It expresses our conviction that in some countries, Italy among them, it is possible based on history to implant local specialization. Such implanting would call into effect a competitive advantage that would be underpinned by immense natural resources in the arts and monuments.

A decline in traditional competitive advantage in a globalized economy could be offset by relative advantage based on local unique goods and quality. “Invest in culture to achieve economic growth” is the bottom line evidenced in the report.

Culture and enterprise, a new dynamic duo, are able to trigger a virtuous circle of wealth, development and consequently employment. But how can we bring this about? An effective policy of revaluation of cultural heritage would require a model for growth that permits a shift from traditional strategies to strategies for local cultural resources, in the context of the entire economic system.

This overall strategy would be implemented at different levels with new financial instruments, such as bonds, special loans, contributions in capital account or in interest by the state or local authorities, leasing and collateralized loans. All this points to a strong partnership between the public and private sectors. While the private sector would be given responsibility for the supply of some market services, the public sector would maintain a basic role.

To guarantee the financial soundness of such ventures, the public administration might have to provide direct financial participation to ensure economic return, an essential element if entrepreneurial interest is to be attracted and commercial goals kept in line with development goals. Or the public operator could assume noncommercial risks which impact on investment projects.

It is from these initiatives that we feel could come the stimulus of competition between private operators for the business opportunities offered by cultural heritage. Culture is, in fact, a real business opportunity. Let me take as an example the experience of Mediocredito Centrale. Recently at the request of the Italian foreign minister, Mediocredito Centrale has concluded a study on the financial feasibility of a new Museum of Cairo in the Giza area. We found it an extremely interesting experience. It allowed us to assess innovative financial instruments for financing a very particular infrastructure: a museum. We looked into the different sources of funding and financial structures, such as grants, defined as funds which are given free of charge, without obligations to repay; debt, broadly defined as an advance of funds which requires repayment and usually at a cost in the form of interest and fees; and equity, defined as shareholders’ or sponsors’ capital which is invested in a project and is subject to the claims of creditors. Of possible financing structures we analyzed the following options—build-operate-transfer possibilities; securitization in a phased project; and cash collateral fund opportunities:

- Option 1. Build-to-operate would not be appropriate for the core museum component of the project, because the lenders under such a scheme would be looking for government or private sponsor guarantees. This option could be envisaged for the commercial and non-museum assets of the project. One or more private sector project developers and/or service providers could essentially construct, equip and operate these parts of the Project, funding the associated capital costs themselves (and/or through their lenders), and receive some or all of the revenues generated by these stand-alone businesses. Under this scheme, a portion of the excess revenues generated could be used to cross-subsidize the costs of the museum itself.
- Option 2. Should the project be developed in phases, a portion of the ticket and other receivables generated under the first phase could be secured to raise capital financing to fund subsequent phases. Here, the projected free cash flow receivables from ticket and concession sales in a first-phase project could be pooled together to produce an expected steady stream of cash flows. The aggregate value of such cash flows would imply that a certain amount of debt financing could be raised against the stream of revenue. The proceeds could then be used to contribute to the capital expenditures required under subsequent phases of the Project.
- Option 3. A collateral pool of cash would be established and funded from the existing old museum. This fund could then be offered as collateral against long-term loans from commercial sources. Although it does not reduce
the Government’s total expenditure, it does provide the important benefit of fixing, at an early point in the project, an amount of financing that can be raised. That is, rather than the Government contributing to the funding of the project on an as-needed basis, the existence of a dedicated fund of cash would allow the project to raise a known amount of long-term financing from the outset, without Government guarantee. This eases the burden on the Government of funding the project on an ongoing basis; it provides greater certainty of a complete financial plan for other project stakeholders (international development banks).

In conclusion, based on our experience in the cultural heritage projects, several key principles regarding the structure of a possible project financing emerge. Like most infrastructure projects, cultural heritage projects may require large amounts of long-term, fixed capital investment from the beginning, and might demand creative financial solutions to attract private and foreign capital.

Economic and financial viability are the priority concerns of investors and financiers when they examine a project. These factors must therefore receive priority attention in structuring project packages. Thus a careful evaluation of risks and returns on the part of the project sponsors is crucial to the success of infrastructure ventures in the cultural heritage sector.

Investment opportunity in cultural heritage in certain countries demands creative financial solutions if it is to attract private capital. The market place is already developing a differentiated and flexible approach to support culture and cultural heritage projects with innovative funding strategies and vehicles.

Medicredito banking group is looking at future opportunities in financing infrastructure projects in the cultural heritage sector. We are in position to develop new relationships and partnerships, and to apply our experience and specialized expertise to new and exciting challenges.

**Fields Wicker-Miurin**
**A.T. Kearney Financial Institutions Group**
**United Kingdom**

The Angel in the Stone—the new relationship between the arts and business

I want to talk to you today about the way in which the partnerships between businesses and cultural institutions—and indeed artists—are changing. I believe we are building new partnerships which can act as models for increasing corporate support for culture globally.

I am going to relate this change to developments in attitudes to work and to the workforce. I believe these changes are worldwide, though my perspective comes from Britain, where I work for A. T. Kearney, the global consultancy firm, and where I am a Trustee and Director of Arts & Business.

Arts & Business is the largest national association serving as the essential link between the worlds of business and the arts. It has established a reputation for pioneering new programs and has been instrumental in helping to set up sister organizations in many other countries in the world, including Israel and South Africa. Its Chief Executive, Colin Tweedy, will be leading the private sector workshop at this conference.

It is perhaps not surprising that I want to talk about change. Businesses the world over are struggling with an ever-increasing ferment of change and the world of the arts is no different. But in the UK, the relationship between the two worlds—until recently—has been fairly stable, and characterized mainly by sponsorship. Sponsorship of the arts has grown steadily from a starting point in the mid-70s of about £¼ million to a level last year of about £115 million. It has become widely accepted as a legitimate part of a company’s marketing, public relations, or community expenditure. More and more businesses are acting as patrons of artists: a relationship similar to what the Medici and other patrons had with artists in the Renaissance, but not as strategic or long term.

Which is one reason why we at Arts & Business have introduced other ways for arts organizations and businesses to work together. Ten years ago Arts & Business set up two new banks: a Skills Bank and a Board Bank. They have been hugely successful. Our purpose was to recruit
business people to get involved with arts organizations in a practical way. These are people who are prepared to share their expertise either by advising the managers of cultural institutions on issues such as finance, marketing, or human resources, or by serving on their boards of directors. I am just one such person. I sit on the board of the London International Festival of Theatre and I am extremely proud to do so.

Over the past few years, as we went about our work with arts and businesses, we have found a new breed of business leaders. These new leaders were not comfortable with the arts, or with the relationship between business and the arts. Many had technological and business education; and their business careers had coincided with a period of high capitalism. For such young business leaders, whose key drivers are profit and shareholder value, the arts appeared irrelevant; some even described sponsorship of the arts as "corporate theft".

So, how to convince such people of the value of the arts? You can imagine that for Arts & Business, finding a new generation untouched by the arts was a major concern. We had to keep the conversations going, to probe further, to discover what issues really concerned these new business leaders. What we discovered was that, although this new generation denied the value of the arts, they were deeply concerned about the need for creativity. They knew that to be successful in the future, they needed to unlock the imaginations, the creative potential, of all their workforce, not just the few in marketing or product development.

They are not alone in feeling that. Well-known writers on business and management such as Tom Peters, Charles Handy and Sir John Harvey-Jones have all been saying it too. A celebrated entrepreneur in Britain, who also happens to be a concert pianist, Sir Ernest Hall, has said:

The only reason to employ people in the future will be to benefit from the qualities that raise them above machines, the qualities of inspiration, creativity, imagination, commitment, enterprise and ambition.

You may have heard too of the Nomura Institute, the Japanese research organization. The Nomura Institute has come up with this picture of business development:

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<td>Agriculture</td>
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<td>Creativity</td>
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They suggest that we first went through the age of agriculture that lasted many centuries; then we entered the age of industry which lasted a couple of hundred years; for the last twenty-five years, we have been in the age of information; but now we are entering the age of creativity. Information and knowledge are still crucial to any business but the problem is that whatever information we have today, our competitors have tomorrow—or even more likely, one nanosecond later. The crucial thing now is to come up with new ideas, make new connections, imagine, create, invent.

What they are all saying is that creativity is the key to business success; creativity is the great driver of profitability and the way that a successful business is going to differentiate itself from its competitors. Businesses have for years tried to inculcate a culture of logic, analysis, business plans, market research, bottom line focus—the qualities generally associated, though I am aware this is a simplification, with the left side of the brain. But we realized at Arts & Business that the new generation of corporate leaders was crying out for more creativity in their businesses, but they did not know how to get it.

So we refocused our work with businesses to help them understand that the very techniques, processes, and values practiced by artists for hundreds of years could also help their people unlock their own creativity—to find, as Michaelangelo put it, "the angel in the stone."

So Arts & Business set up the Creative Forum, twenty companies which were prepared to help us explore and develop new relationships between the arts and businesses. We created a new program called Arts @ Work which brings the skills, techniques, and values of the arts into the workplace. For example, some companies have focused on helping younger artists get a commercial foothold by showing their work—for sale—in their corporate offices. This is what A.T.
Kearney does in London and we have found it hugely beneficial. Others have invited artists to perform in their canteens or foyers—the London Musici, a chamber orchestra, has recently launched concerts to animate the many atria in the City. Mischon de Reya, a London-based law firm, held a competition to choose a “poet in residence”, to remind lawyers of the beauty and infinite variety of words. Others, such as Marks and Spencer and Arthur Andersen, have set up Arts Clubs for their staff, to which guest artists come to talk about and show their work. And the list goes on.

But the most interesting, to my mind, and fastest growing part of this program is what we call “arts-based training”. In arts-based training, a business employs one or more artists to run a training course for its staff. Unlocking creativity, of course, is one of the common subjects for such courses. But businesses have found that there are other skills in which the arts world excels, such as teamworking, scenario-planning, change management and, of course, communication.

To be successful, such courses naturally require top-class training skills as well as artistic ones, so there are a limited number of people who can deliver them effectively; we are lucky in Britain, because we have arts organizations such as the Royal National Theatre, the Royal Shakespeare Company, and the international touring mime troupe, Trestle, which offer arts-based training to the business sector. Companies such as Barclays Bank, Marks & Spencer, Seagram, Mars, Allied Domecq, and the WPP Group of advertising and public relations companies have all employed them over the last year or so. Arts & Business has developed a database of artist trainers which continues to grow week by week. At last count, there were over 60 on the database who had worked with nearly 200 businesses.

These are hugely positive developments. I am a great believer in encouraging people to make connections across disciplines and to bring all of their capabilities to everything that they do. Too many people bring just a small proportion of themselves, just the left side of their brains perhaps, to the work environment; we need people to bring the right side, and their values, emotions, and instincts too. The arts connect us to those attributes, to our humanity.

All of these efforts are breaking down the barriers between the arts world and the world of business. The ancient Greeks had no difficulty in seeing that commerce, the arts, and science were interrelated and interdependent. But in modern times, especially post industrial revolution, western civilization has determined that individuals are either scientific or artistic. I wonder how Leonardo da Vinci would have reacted to being categorized as one or the other!

Fortunately, there seems to be a zeitgeist, a spirit of the age, that recognizes that artists and business people can share skills and values; that the relationship between the two worlds can be symbiotic, that they can be one world instead of two, as it were. For me, that is hugely exciting—perhaps we are entering a new Renaissance, as well as a new Millennium. I certainly hope so.
Mohammed Abdelilah Belghazi
Musée Dar Belghazi
Morocco

COMMUNICATION DE FLORENCE

Remerciements au gouvernement italien, à la banque mondial et à l’UNESCO Organisation de cette manifestation culturelle de grande ampleur et remerciements à tous les pays présents et à tous ceux qui ont participé à ce séminaire.

Objectifs de notre communication est la mise en valeur de la situation du Musée privé au Maroc, ses difficultés, ses perspectives d’avenir et la possibilité de transcender certains obstacles.

A. Musée privé Dar Belghazi

En Mars 1996. Premier musée privé du Royaume du Maroc ouvre en avant première ses portes à sidi Bouknadel à salé pour accueillir quelques 400 experts internationaux venus assister à un congrès mondial sur le tapis marocain. Mais le Musée Belghazi est la réalisation d’un vieux rêve d’une famille d’artistes brodeurs de Fès, descendants directs des lions de la Montagne de Zeirhoun, des maîtres dans l’art arabo-islamique.

Par un travail méthodique d’agencement et de rassemblement d’objets disséminés dans le monde, nos grands-parents, nos parents, notre frère et nous avons pu réunir un patrimoine objectal marocain et islamique. disséminé au Maroc et à l’étranger.

Les grandes salles du Musée permettent à celui qui les visite, un voyage dans le chronotope c’est à dire dar le temps et l’espace, un voyage dans des espaces analeptiques à la découverte d’un savoir-faire.

• La superficie du Musée s’étend à peu près sur 7000m², quelques 5000 pièces occupent ces grands lieux : mélanges des genres, des styles et des époques;
  - Thématisation des objets selon la disposition des espaces;
  - Salle de bois—portes du XI au XX emes siècles, cloisons de mosquées
• Portes de synagogue et des Minbars, c’est à dire des chairs.
  - Salle de textiles—Tapis, rideaux, tentures de toutes les régions du Maroc.
• Espace manuscrit—Parchemin, plus petit Coran au monde écrit avec une aiguille, des outils de reliure, épîtres et sceaux royaux.

• Céramiques de la ville et poteries rustiques.
  - Instrument de navigation—Astrolabe, Sextan, Globe céleste ...
  - Bijoux d’or et d’argent de ville et de campagne.
• Médersa réservée aux universitaires, chercheurs nationaux étrangers venus faire des investigations sur l’art marocain—accueillent tous les ans des étudiants d’Usine éphémère de Lyon, accueillent des étudiants d’archéologie d’Aix en Provence, des étudiants marocains futur muséologues.
• Une galerie consacrée au patrimoine culturel juif marocaine—boiseries de demeures et boutiques anciennes, objets de culte, de rouleaux manuscrits.
• Ouvrage et documents, films et enregistrements musicaux viennent compléter cette exposition d’éléments de référence, de recherche et d’études. Une initiative de grande dimension, qui le temps imposé par sa patience et méthodique mise en œuvre, répond aujourd’hui, dans le contexte historique et hautement symbolique qui lui revient, à une attente d’un public ample.

I- Enfin, une grande salle consacrée à des expositions permanentes et temporaires de peinture: artistes peintres du Maroc.

B. Toutefois : difficultés de l’Établissement

• Absence de déshumidificateurs dans le Musée : L’espace muséal est situé à 3 Km de la mer, beaucoup d’œuvres exposées dans les salles sont détériorées par l’humidité tels que les manuscrits, les soieries, le bois dès lors que 30% des objets du Musée sont en bois de cèdre qui se détruit par les termites: Manque d’un système de chauffage pour la sauvegarde des tapis, des éléments de textiles.
• Absence d’ascenseur pour les visiteurs et surtout pour les personnes handicapées: le Musée est composé de 3 niveaux. Sa hauteur est de 15m l’extère a des problèmes de déplacement à l’intérieur de Musée et dans les 3 étages.
• Notre établissement a fait construire un espace de documentation pour la recherche. Cependant, il manque des livres sur la muséographie, une salle vidéo, une bibliothèque.
• Création d’une petite école pour les arts et métiers qui disparaissent comme la restauration des livres anciens, des coupole des vieilles demeures, de la mosaique, la céramique, des bijouteries etc.
Margarita Gutman
Instituto International de Medio Ambiente y Desarrollo
Argentina

Buenos Aires 1910, the Exhibition: a Public and Private Partnership

In February 1998, we had the opportunity of presenting in the World Bank in Washington, the multimedia exhibition “Buenos Aires 1910: Memoria del Porvenir” or “Memories of the World to Come”. After four years of hard work and many ups and downs, on the 26th of May, we opened the exhibition. A hundred thousand people visited the exhibition during the two months it remained opened in Buenos Aires.

However, we not only have managed to carry out this ambitious project in Buenos Aires, but we have made a reality the bold idea of bringing it to Washington, to be able to show it on a world stage. “Buenos Aires 1910” opened last Friday and will be exhibited for the next two months in the atrium of the main building of the World Bank, and a part of it, in the entrance hall of the U.S. Department of State.

Now, in this conference, we would like to share with the international community, the analysis and evaluation of its results, its process of development and the impact and impression it made. In particular, we would like to reflect on the teachings of this experience towards the challenge of considering cultural heritage as one of the essentials for a sustainable and equitable urban development.

When, four years ago, we started working on this project under the direction of Thomas Reese in the Getty Research Institute of Los Angeles, we knew it was a big challenge. We knew that we should go beyond the ivory tower of culture to be able to reach its social goals. That was why, early in 1997, we contacted the World Bank. There, through Michael Cohen, we received the support that was decisive in building up the partnership, which allowed us to start the production of the exhibition. This support was crucial because without this partnership the project wouldn’t have been possible. It wouldn’t have set the example nor achieved the significance that it did. We also received the fundamental support of Bonnie Cohen, Undersecretary of State. Very early in the project her interest was a key factor in
building the international partnership which allowed us to move the exhibition to Washington.

In fact, the development process has been as important as the product itself. We said often that we weren't only looking for an exemplary product, but an exemplary process as well. We will analyze both. First, we will describe briefly the exhibition as a product; and next, we will analyze its development process. Then, we will examine the reception the exhibition has had by the public and the media, and finally, we will end by discussing its contributions.

A Description of the Exhibition

Extended over an area of 1,200 square meters, the exhibition displays a selection of 400 images and 400 objects that were circulating in Buenos Aires between 1904 and 1914. They belong to private and public archives and museums, most of them local. The different groups of selected images and objects show fragments of the lives of people in a city on the eve of big changes, and the way in which they were preparing to live a future of unlimited progress.

The exhibition comprises 10 units of meaning, each containing a double visual narrative, composed by objects and images:

- Its leisurely entrance (peaceful, with little stimulus and dim light) comprises “The Transitions of Memory”, a work by the artist Luis Benedit. With a kaleidoscopic vision of products, it shows the arrival, the excitement and the crowds of 1910.

- The port or “the door of the river,” through which manufactured products from overseas came in, and meat, grains and wool came out. This was the port to which the European immigrants arrived in huge numbers—in absolute as well as in relative value. In 1910, nearly 300,000 people arrived at the port of Buenos Aires, one immigrant every two minutes. Of those, nearly 200,000 people stayed, 16 per cent of the total population of a little over 1.2 million people registered in the Buenos Aires of 1909. The people who arrived in Buenos Aires in 1910 found a city in which 46 per cent of the population were foreigners. Almost half of them Italian and a quarter Spaniards. In the streets of Buenos Aires, one out of two people didn't speak Spanish, or spoke it with a very strong foreign accent.

- In “The Tower of Work”, one can see the faces and the trades of the city. The street sellers, the work in the workshops, in the building industry and in the port. The work of men, women and children. And opposite, its antithesis. The jobless and homeless. Ostracism, poverty, prostitution, alienation and neglected children.

- “Life in the Suburbs” shows the city for sale and its expansion. The houses multiplied “as fast as mushrooms in the Pampas” as the population grew outward. Drawings, publicity, and photographs of the life on the streets: games, carnivals, street markets, corners and rituals. Bathroom fittings and objects of urban archeology found on the streets show how life inside the houses was. The tango emerges from pictures of men dancing in the market, music scores, drawings and gramophones.

- The “Tower of the Printed City” shows the outstanding development of the new graphic design technologies. It has big size enlargements of the magazine covers and front pages of some of the three hundred publications that circulated in the city—Argentine magazines and newspapers, as well as those published by foreign communities in eight different languages.

- “Metropolitan Rhythms”, more speed and new means of transportation. More light and more light bulbs. More people went shopping and filled up the theatres, the cinemas, the circuses, the clubs, the bars and the cafeterias. Domestic consumption increased dramatically. Operas performed in Europe could soon be enjoyed in the most important opera houses, like the Teatro Colón, the Opera, and the Coliseo. More people played sports, filled the stadiums and the racecourses, and enjoyed the fresh air in the newly opened city parks. The new technologies: light, sound and speed. The car and the movie camera marked the rhythm of the new metropolitan life.

- Building the great capital city was an ostentatious and confident feat, based on technology and wealth. Great public and private buildings were erected. The first South American subway line was built. Railway stations and water-treatment plants were set up. Many avenues and diagonal streets were planned, argued over but finally only a few were laid down, to fulfill the dream of a modern city.

- But the city wasn't built without tension and contradictions. Social conflict, strikes, demon-
strations and uneasiness took an active part in urban life. In workers’ meetings, children were a common sight.

- Argentina proudly commemorated the 100th anniversary of the “Revolution of May” with great festivities, swarming public functions and a series of public and urban works. The euphoria of the centenary started with the festivities of May 1910, which were preceded by the passing of Halley’s Comet. The festivities included great international exhibitions, big receptions for the distinguished foreign guests like Princess Isabella of Bourbon from Spain, parades, festivals and athletic competitions. Numerous postcards remained, as well as a collection of big illustrated albums, books and historical paintings, medals and souvenirs of all sorts. More than anything, the memory of the euphoria and the expectation of a great future remained.

- Finally, the images with which in 1910 people imagined the city’s future, the future that then was almost a tangible reality. This is how they saw us, with images anticipating the impact of the technological advances on our daily lives, with vertical cities composed of very high buildings connected by bridges and passageways at various levels, with airplanes fully participating in urban traffic, and traffic jams paralyzing streets and airways alike. Through this game of reflections on time, the visitor left the exhibition at the doors of his own present, facing his own future.

**Objectives**

In this way, we intended, basically, to show in a rational and moving way, through a strong visual impact, the richness of urban history. We wanted to go around the stories of history in a different way, showing the testimonies of the past and the present, and their value for the construction of the future.

We wanted to show this cultural heritage to a wider audience; to people who never go to an art exhibition. This is why we chose a non-conventional site, a shopping mall built inside an old, restored structure, the old wholesale produce market. For this very same reason, we worked on the firm condition that admission to the exhibition had to be free of charge.

We based our work on the “heritage equation”, formulated and repeated so many times by the late Jorge Enrique Hardoy: “In order to care for something one has to appreciate it. But, in order to appreciate it, it is necessary to know it first.” In spite of being one of the great cultural capitals of Latin America, in spite of being known all over the world for its music and its literature, and in spite of its long history of more than 400 years, in the minds of its inhabitants, Buenos Aires does not have a significant historical importance. In fact, people think that Buenos Aires is a city of little history, a relatively new city, forgetting that this metropolitan agglomeration has more than four centuries of history, and very strong traces dating back to the colonial period. But the marks can be read only if you can tell them apart.

So we simply decided to show documents and testimonies of the past, to tell by showing, that is, to make use of all the visual strength of the images, to take advantage of all the aesthetic and communicative power that they could have, individually or as a whole. It was an act of communication in the present, the design of the exhibition responded to contemporary aesthetics and took full advantage of the technologies available to achieve the highest quality in the digital reproductions. In fact, quality was a basic prerequisite that governed the whole process of design, selection and assembly, insofar as it is one of the basic factors to ensure the excellence in communications.

**Summing up**

We didn’t tell one story but many, or at least as many as the ones that comprise life in the city today. Showing the contradictions and complexities of the past helps to better understand the complexities of our present life.

Buenos Aires early this century was a city under construction, a city on the eve of great changes, a city that has a lot in common with the present situation in the metropolis; once again on the eve of great changes, maybe as important in their scope and celerity as the ones of the turning of the century.

Showing and pointing out the value of the testimonies of the past, history is built and enriched every time it is repeated, and somebody reads it or looks at it. Telling the stories of the past, the past becomes the present and becomes part of our daily lives. Only from this present of ours, enriched with the memories, it is possible to build a sustainable future.” Our heritage,” as
Ismail Serageldin said long ago, “is a legacy to give back in the future.”

Let’s look at some numbers

The organization of the exhibition had, since 1996, a team of 18 curators (counting chief curators, consultants and assistants) and 3 designers. In 1998, 15 professionals (architects, museographer, art historians and curators) and 8 assistants for the coordination of production joined the team. The total number of people that put together the exhibition was over a 120, grouped in 8 companies.

All this work was possible thanks to the creation of a partnership under the initiative and support of the five organizing institutions: the School of Architecture, Design and Urban Planning of the University of Buenos Aires, the International Institute for the Environment and Development of Latin America, Argentina’s National Endowment for the Arts, the Getty Research Institute for the History of Art and the Humanities, and the World Bank. We also had the support, financial as well as in kind, of 15 entities among them foundations, private companies, government agencies and UNESCO.

This partnership constituted a vertical cut through the organizations of the community. We had government agencies of different levels: the Government of the City of Buenos Aires and the Government of the Province of Buenos Aires, acting together. We also had academic entities like the University of Buenos Aires and the National Endowment for the Arts; Non Governmental Organizations like IIED-AL; foundations like Fortabat and Antorchas; and private companies like IRSA, Agua’s Argentinas, Máxima, Mapfre, Transpack and Excel, among others.

The creation of this partnership was as complex and delicate as the curatorship and the design of the exhibition. Altogether, we contacted more than 90 public and private entities. Through their managers, their public relations officers or their foundations, we contacted private companies of all kinds, from urban infrastructure companies to national and foreign banks; from the old food companies to the new global diversified companies; from the commercial distribution companies to the ones that deal with transport, insurance, pension and maintenance funds. It did seem to us—and this goes by way of a hypothesis—that the cultural field is an adequate and novel territory to experiment with new ways of managing urban projects through partnerships of public and private institutions.

What we can learn from the exhibition

Besides this general comment, I would like to outline an evaluation of the exhibition in relation with the lessons that can be learned from it, as a contribution to a strategy for the development, focused in two aspects.

Material feasibility

Along the long process of obtaining the necessary resources for the exhibition, a transversal cut through sectors with political and economic power, we found that among the members of these organizations there was a certain recognition of the role that history and memory play in our urban daily lives. They acknowledged the existence of a history as well as a memory and knew of their positive quality, even though they could not clearly define them.

Although many of these institutions were unable to turn the personal interest of some of their members into institutional interest, 15 of them did sponsor the project. This shows that an interest on matters related to heritage and memory does in fact exist. This exhibition probably wouldn’t have been possible 20 years ago. Presumably, the academic institutions would have supported it, but private sponsorship would have been more difficult to obtain, especially given the amounts required for a project of this kind.

The wide range of participating institutions speaks about a kind of maturity within Argentine society regarding the recognition of the role of memory in a society that even nowadays considers itself “young” when in fact it isn’t.

Promotion and reception of the exhibition

We will focus on three levels: the response of the public; the reaction of the press and other institutions with the power to influence public opinion; and unexpected outcomes, that is to say, its potential as a multiplying factor.

Response of the public. Regarding quantity, a hundred thousand people visited the exhibition in sixty days. Promotion was carried out mainly through articles in the press, and only supported by two weekends of newspaper advertising. As far as we know, no exhibition about historical
events held in Argentina in recent years has equaled this one in number of visitors—a really big audience for this kind of show.

Regarding quality we can ask ourselves: What happened to the visitor once in the exhibition? Observing people’s reactions during the eight weeks of the exhibition was an exciting experience. In fact, it was an enormously enriching field for research and for the assessment of the various responses regarding historical urban heritage and how people relate it with the present and the future.

We will have more accurate information once we have the results of a survey based on 800 cases, which is still being processed by the Department of Communications of the Faculty of Social Sciences of the University of Buenos Aires. Nevertheless, it is possible to bring forward some qualitative impressions, among which two features stand out clearly: the emotion of discovery and the urgent need to share the experience.

It was not unusual to see small groups, heads bent over a document or hands pointing out a detail on an image or a map. There was always someone speaking, and frequently many of them spoke at the same time. People seemed glued to the images and the objects, and remained in front of them for a long time. Seen from above, most of the people were standing rather than walking.

Many people were just strolling around the shopping center and entered the exhibition without knowing what it was about. Others entered the show knowing about it. But everyone, almost without exception, was surprised by the impact of those images and objects that intertwined with the memories of the descriptions made by their parents, grandparents, uncles and aunts or elderly friends. The images and objects gained strength because they resembled those old family photographs or because they showed something unknown. Emotions would arise, either together with admiration for that great city of the beginning of the century, or with annoyance towards what could have been, and was not. The emotions would be finally expressed in words, and people would end up asking questions, telling their own stories, and sharing them with their friends or with any other visitor who happened to be next to them.

People showed their interest by returning with old photographs of their own. Others would ask for copies of the images in which they had found places that had been referred to by their grandparents or would try to take photographs of the images. Thirty-thousand brochures were sold at $1 each, together with 700 CD-ROMs and 200 catalogs.

**Reaction of the press and other institutions.** As it has been said, promotion was carried out through the press, the radio and the TV, in an attempt to profit as much as possible from the curiosity and interest that the media could have in a project of this kind, which was obviously low, but still present.

We started working by getting in touch with company presidents and directors who were clearly aware of the significance of an exhibition of this kind, like the ones of *La Nación*, a newspaper with a tradition of over 100 years. In September 1998, this newspaper issued the first articles about our project on its cultural and architectural supplements. From then on, we were surprised with the interest shown by general information radio programs, newspapers and Sunday magazines. The news left the cultural sections to engross the main body of the publications. They emerged from cultural cable TV programs broadcast late at night to appear on the air channels.

The overwhelming reception of the media had its effects: taking into account the 52 articles published in newspapers and magazines, the 4,000 cm of graphic material issued exclusively about the exhibition, the 25 reports of the show and the interviews to curators on cable and air TV and the 11 radio programs, it can be estimated that apart from the number of visitors, another 10 million people may have learned something about history and the past as news, as part of the present.

**Multiplying factor.** As regards to the exhibition’s multiplying effect, we have observed a maturity in Argentine society concerning responsibility over heritage, expressed in the various initiatives that were and are being undertaken in this field: publications, exhibitions, active city preservation commissions, opinion groups, preservation and training programs, lectures and meetings on archives and heritage, and so on.

There have been several direct activities related to the impact of the exhibition. The Buenos Aires underground railway private operator asked us for images of the building site of the first subway line, to be shown in the recently opened Juramento station. Coto’s, an Argentine supermarket chain, is already exhibiting a collection of
old carts and cars in its new branch at the Abasto Shopping Center. Mr. Alfredo Coto asked for images of old city markets and their means of supply, to be used, we believe, in corporate image communications. These images are in the process of production and will be exhibited soon. A few companies seeking to circulate images of the immigration period also got in touch with us. Dwellers from the city neighborhood of Boedo told us that our work supported their claim for the rehabilitation of a house.

A few hypothesis

- Like history, heritage management can be considered a social construction, a historically situated and dynamic process more than a product or an isolated element.
- If heritage management doesn’t allow people’s participation, is not local, nor democratic, it’s not heritage management but something else, whatever you call it.
- What happens if we understand heritage not only as tangible fixed assets or inventories but as symbolic goods?
- What happens if we understand heritage as one of the many services produced and consumed by the urban societies of the end of the millennium, in which the steady growth of service-oriented sectors is a distinctive characteristic?

There are many important and well-documented economic, social and cultural works dealing with the expansion of services in post-industrial societies—or post-capitalist, or post-modern, or whatever it may be called. The impact of information, which produces the most developed services in present societies, has been brilliantly analyzed by Castells.

Other authors explain that the growth of service-oriented sectors is not only quantitatively but also qualitatively complex. As Saskia Sassen states, services originally linked to industry, like transportation and distribution, have been surpassed by others more related to the improvement of the quality of life, like music, physical and psychological therapies, exotic restaurants, cultural tourism and art museums.

Lash and Urry point out that services such as tourism and culture hold deep symbolic meaning. They not only include cognitive elements, like information, but also have moral, emotional, aesthetic, narrative and significance dimensions, together with an identity dimension. Lash and Urry illustrate this shift in emphasis through the example of a kind of tourism that seeks sign information, the “myth of the place”, or other recent years’ cultural forms of tourism, which are taking the place of tourism of “sand, sun and sex”. These authors also underline the importance of the real “place” as opposed to the virtual place in a globalized world that is searching for those places “brimming with time”, as Richard Sennet says.

To sum up, a few ideas about heritage management in the context of development

To conclude, I would like to outline five ideas related to heritage management as a means towards equitable and sustainable development.

It is feasible to think that Buenos Aires has a potential demand for heritage services

The exhibition can be considered a service of high symbolic meaning, linked to the improvement of the quality of life, through the recovery of personal history intertwined with that of the neighborhood and the city, contributing to the construction of urban identities. To place the exhibition in the Abasto Mall was an intuitive decision. Now we have learned that private sponsoring was eased by the fact that the companies took into account the big and diverse potential audience. Apart from a mature conception regarding heritage, another factor that facilitated the realization of the exhibition was the global tendencies of growth regarding services of high symbolic meaning. Therefore, memory may be reckoned as one of the services of high symbolic meaning required by urban society.

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Memory is a part of urban daily life, and should have a place within and not outside everyday life

The exhibition arouse varied reactions: some people told us that the exhibition and the site were excellent, others were of the opinion that it was good but that the place was unsuitable, or that it got too mixed up with the surroundings. Actually, there’s not a single answer to this debate about the role of memory within society: should it be kept tucked away somewhere or released into the streets where it belongs?

We believe that the revision of the past prompts a reflection about the future and gives meaning to actions that must be undertaken in the present

The exhibition raised different questions:
How did you conceive the project?
Where were the objects and how were they found?
Who lent them and how?
How was the city in 1910, and how is it different from the city we know today?
Finally, the question we had been expecting: Considering Buenos Aires as it was in 1910, and the way it is now, how do you envision it in 2010, or better still, in 2050?

At this point we knew positively that the exhibition had worked, that the revision of the past prompted a reflection about the future, something which is missing at this end of the millennium, and is fundamental for any action we take in the present. As Raymond Williams has said, at the end of a millennium in which the present imposes its urgent needs, and the future is only a threatening horizon, it is essential to regard the reflection about the future as a means for dealing with the present. The act of reflecting about the future is, in itself—as Williams states—the first action for its construction.4

These are not abstractions, but a part of personal daily life and the life in the city

Let’s take for example the urban infrastructure and the decisions that a railway private operator has to make in Buenos Aires, where its policy will have an impact not only on terminals such as Retiro or Constitución but also on hundreds of other stations that should be renewed, rehabilitated or closed.

Another example: the building of the Abasto Mall, the neighboring towers and the rehabilitation of Carlos Gardel street, which had remained secluded for 30 years, despite their privileged location. The same happened with the urbanization of Puerto Madero, the docks of the old port of the city built in 1895 and not in use for the last decades.

Another private operator has power of decision over two huge city water tanks now out of order, which occupy a significant portion of the busy neighborhoods of Caballito and Devoto.

Last but not least, the problem of the central expressway that goes along the waterfront of Juan de Garay’s city plan, in this city that astonishingly still keeps the vitality of its central area, and so on and so forth.

All these decisions should not be left solely to the mercy of the market or to the historians. They have a strong impact on urban life. The state and the society have a voice in the matter and also the necessary imagination to create alternative approaches. As I’ve already said, heritage management should be democratic and allow participation.

We should even dare to relate the role of heritage services to productivity, poverty, and inequity and to environmental issues

These challenges were defined by Michael Cohen during the Metropolitan Management Conference that took place in the Faculty of Architecture last July.

In brief:
- Heritage services can foster employment: the exhibition generated 150 temporary jobs.
- The right to memory is not a luxury but another basic need of the society as a whole, especially of the underprivileged.
- Urban heritage is a part of the city resources, and therefore an element of urban environment. It is also a non-renewable symbolic resource.
- The development of heritage services has domestic and foreign effects. It fosters social cohesion, democratization and identity, while it places the metropolis within the frame of international marketing. In times of global competitiveness among cities, nobody wants more of the same; this is the time to make a difference.

Session VI.B1.
The Constraints on Resources for Culture and Developing Countries and Economies in Transition

Session VI (Roundtable B1) considers perceived dilemmas in short-term versus long-term solutions. Can investments in culture benefit from and, in turn, be beneficial to a more comprehensive development framework? This concurrent session provides a forum of discussion for top government officials in developing and donor countries to voice their policies and financial constraints in their advocacy for culture. Among the issues discussed are the following:

- Should development institutions help and how?
- Would new institutional instruments help the funding of culture in development?
- What are the constraints that ministers of culture and finance in developing countries face in financing culture?

The moderator for this session was Victor Sa'Machado, President, Gulbenkian Foundation, Portugal. His comments can be found in Appendix A.

N'Goran Niamien
Ministre de l'Economie et des Finances de Côte d'Ivoire

La Côte d'Ivoire a été associée à ce séminaire portant sur "les enjeux de la culture dans la problématique du développement économique et des politiques culturelles", thème dont nous mesurons toute l'importance, et qui occupe une place de choix dans notre politique de développement.

Au nom du Gouvernement ivoirien, je voudrais exprimer nos sincères remerciements au Gouvernement italien, à la Banque Mondiale et à l'UNESCO, initiateurs de cette importante manifestation.

La Côte d'Ivoire souscrit à la définition globale de la culture adoptée lors de la conférence de l'UNESCO sur les politiques culturelles, qui s'est tenue à Mexico en 1982 (et qui a débouché sur la décennie mondiale du développement culturel) : selon cette définition, la culture est "l'ensemble des traits distinctifs, spirituels et matériels, intellectuels et affectifs, qui caractérisent une société ou un groupe social. Elle englobe les systèmes de valeurs, les traditions et les croyances."

Cette conférence qui se tient dans ce haut lieu de la culture, qu'est la ville de Florence, revêt un double sens. D'abord, elle permettra de dégager les enjeux de la culture dans la problématique du développement.

Ensuite, elle nous offre l'occasion de relever à partir du vécu de certains pays, dont la Côte d'Ivoire, les opportunités qui pourraient permettre d'assurer un développement économique et culturel harmonieux.

Mon intervention sera articulée, autour de quatre points :

- les enjeux de la culture dans la problématique du développement ;
- les politiques culturelles ;
- le financement de la culture ;
- les cas spécifiques de l'Afrique et de la Côte d'Ivoire.

Les Enjeux de la Culture dans la Problématique du Développement

Quels peuvent être les enjeux de la culture dans la problématique du développement ?

Enjeu commercial de la culture

A l'orée du troisième millénaire, les marchés et les économies sont de plus en plus interreléés. Le phénomène de la mondialisation touche également la culture et s'accompagne de la création d'un espace culturel planétaire.
En effet, la culture est devenue un enjeu commercial et ce phénomène tend à se renforcer dans le cadre des discussions sur les échanges culturels au sein des organismes comme l'OMC.

*Sauvegarde de l'identité culturelle nationale*

Les sociétés subissent du fait de la mondialisation, de fortes pressions pour devenir homogènes. Les statistiques connues font état de la diminution du nombre de langues parlées dans le monde, ce qui apparaît inquiétant puisque nos cultures nationales pourraient s'en trouver menacées.

La mondialisation ne doit pas mener à une monoculture au détriment des pays du Sud qui seraient transformés, en simples consommateurs. Elle doit plutôt appuyer la diffusion et l'expression des diversités et des spécificités culturelles.

Nous ambitionnons d'avoir accès à toutes les cultures, sans pour autant compromettre les traditions culturelles qui caractérisent chacune de nos sociétés.

Il nous apparaît primordial de trouver de nouveaux moyens pour sauvegarder nos identités nationales respectives.

**Les Politiques Culturelles**

Quelle doit être la place de la culture dans les politiques de développement?

D'une façon générale, la culture reste marginalisée dans l'élaboration de politiques de développement dans la plupart des pays du sud.

Pour notre part, nous croyons qu'il est primordial d'adopter une vision élargie de la culture, de manière à s'assurer qu'elle demeure au cœur de toute politique de développement.

Cette vision élargie suppose notamment que notre développement durable passe nécessairement par la reconnaissance de la création dans le domaine culturel.

La politique culturelle doit s'insérer dans le cadre général de la politique économique. La culture est par excellence le catalyseur de l'économie et donc l'indispensable levain du développement.

Le développement culturel ne peut être dissocié du progrès économique, car le niveau de revenus qui conditionne la consommation des œuvres culturelles et artistiques est un facteur déterminant du développement culturel.

Ce faisant, la politique d'amélioration des revenus et de lutte contre la pauvreté va de pair avec le développement culturel.

Les talents existent partout, mais ils ne peuvent se développer en l'absence d'un environnement propice à leur épanouissement, et de fait au développement de la culture.

Il faut donc mettre en œuvre de bonnes politiques culturelles. Mais quels peuvent être les contenus de ces politiques?

a) **D'abord, il importe de mettre en œuvre de bonnes politiques de promotion et de soutien à la production.**

La mise en œuvre de telles politiques doit être préalable à l'établissement d'un cadre de financement.

En effet, quels que soient les moyens de financement dégagés, on ne peut aboutir à des résultats significatifs en l'absence d'une bonne politique de promotion, de diffusion. L'exemple de l'Inde dans l'industrie cinématographique doit être une source d'enseignement sur les voies et moyens de développement d'une politique de production culturelle efficace.

b) **Parlant toujours du contenu des politiques, la protection de la création culturelle constitue également une priorité et une composante importante de la politique culturelle.**

Cela permet aux artistes de vivre de leur art, et participe également du développement économique.

c) **Enfin, il y a lieu de promouvoir des marchés organisés, ainsi qu'une bonne politique et des circuits adéquats de distribution, à l'instar des marchés du MASA à Abidjan et du FESPACO à Ouagadougou, qui ont plus de retombées pour les pays du sud.**

**Le Financement De La Culture**

La production d'une œuvre culturelle coûte cher et nécessite la mobilisation d'importants moyens financiers.

L'étroitesse des marchés nationaux dans les pays en développement et les difficultés d'accès aux grands réseaux de distribution (du reste contrôlés par les pays du nord) pose des problèmes de rentabilité de ce secteur et d'accès à des sources de financement.

Du fait de ces contraintes, le secteur privé trouve peu d'intérêts à y investir. L'existence et la création de marchés de tailles suffisantes sont
essentielles pour attirer des investisseurs privés dans ce secteur.

Dans le contexte actuel, il importe de mettre en place, dans un premier temps, des instruments de financement direct à travers des enveloppes budgétaires et des concours de bailleurs de fonds extérieurs.

Dans une deuxième phase, dès lors que le marché est relativement bien organisé, l’on pourrait envisager la mise en place de lignes de refinancement auprès du système bancaire au profit de ce secteur.

**Cas Spécifique de l’Afrique et de la Côte D’Ivoire**

La dimension culturelle a été relativement absente des stratégies de développement mises en œuvre au cours des premières décennies qui ont suivi les indépendances des pays africains.

Ces stratégies de développement axées sur l'agriculture, les mines et l’industrie a relégué la culture au second plan et l’on a longtemps cru que la culture ne pouvait générer de richesse.

La culture étant l’âme du peuple et l’essence même de son identité, elle reflète ses valeurs fondamentales, et sa vision du monde.

L’intégration insuffisante de la dimension culturelle dans les programmes de développement économique a mis en évidence leurs limites.

Il importe (comme le recommandent du reste les institutions telles que l’UNESCO et l’OUA), de rectifier cette orientation et de considérer la culture comme l’essence même du développement et non plus comme une simple externalité du développement.


Ce programme comporte cinq points:

- une campagne nationale de sensibilisation ;
- le renforcement de la lutte contre la piraterie ;
- la construction et la décentralisation des infrastructures culturelles ;
- la création de fonds de soutien aux initiatives de créations culturelles ;
- la formation culturelle.

**Campagne nationale de sensibilisation**

Partant du constat qu’aucun développement durable n’est conceivable si le peuple, principal artisan et bénéficiaire, n’a pas une parfaite compréhension des enjeux culturels dans la problématique du développement; d’où l’importance d’une campagne nationale de sensibilisation sur les enjeux de la culture.

**Renforcement de la lutte contre la piraterie**

Il a été organisé en Côte d’Ivoire, une loi sur les droits d’auteur adoptée en 1996. Cette lutte a été récemment renforcée par la mise en place d’instruments de contrôle, dont l’apposition de timbres non falsifiables sur certains supports de produits culturels.

Les actions menées dans ce cadre, ont permis au Bureau Ivoirien des Droits d’Auteur de recueillir près d’un milliard de francs CFA au profit des créateurs d’œuvres musicales. Elles ont également permis de créer des emplois à travers les réseaux d’identification des lieux de consommation des produits musicaux (hôtels, restaurants, etc.), et de perception des droits d’exploitation.

**Les infrastructures culturelles**

Le Gouvernement ivoirien a entrepris un programme de construction à deux niveaux.

Au titre des infrastructures centrales, un palais de la culture et un théâtre à ciel ouvert sont en construction dans le cadre de la coopération bilatérale. La livraison de ces deux infrastructures est prévue pour cette année.

Cette politique de construction d’infrastructures centrales s’accompagne d’une politique de décentralisation de l’action culturelle, ainsi que des espaces de production et d’animation culturelles. Dans cet esprit, il est prévu l’installation à travers les différentes communes d’Abidjan et de l’intérieur du pays, de petites unités infrastructurales (ou cours de spectacles).

**La création de fonds de soutien aux initiatives de créations culturelles**

Le Gouvernement a dégagé des moyens budgétaires importants pour soutenir les initiatives de

Ce sont au total, 35,4 milliards de francs CFA qui ont été consacrés à ce secteur sur la période 1995–1999.

La formation culturelle

La formation dans le domaine culturel doit revêtir un caractère prioritaire si l'on veut faire de ce secteur un pôle dynamique de développement. En la matière, le Gouvernement ivoirien a entrepris de renforcer et de professionnaliser les enseignements dans les différentes structures de formation. Un nouveau cycle de formation en lutherie vient d'être créé, ce qui devrait favoriser le développement d'unités de production et de réparations d'instruments musicaux, ainsi que la création de nombreux débouchés.

Telles sont, Mesdames et Messieurs, les quelques réflexions et l'expérience ivoirienne que nous souhaitons vous faire partager, ainsi que notre perception de la question des politiques culturelles et du financement de la culture.

Il est souhaitable pour terminer, que ce séminaire débouche sur des recommandations précises et des actions concrètes, susceptibles d'ouvrir des horizons nouveaux pour nos pays, en matière d'élaboration de stratégies et de politiques culturelles nouvelles pour un développement durable et harmonieux.

La réalisation de telles politiques et stratégies requiert, en plus des efforts financiers consentis par les pays en développement, une plus grande mobilisation de l'ensemble des partenaires au développement, notamment l'UNESCO dont le rôle pour le développement culturel est aussi vital, que l'est l'OMC pour le développement du commerce mondial.

Fahrudin Rizvanbegovic
Federal Minister of Education, Science, Culture, and Sport
Bosnia and Herzegovina

As a newly independent state in the territory of former Yugoslavia, Bosnia and Herzegovina shows in many ways an image different from other states that were established in this area, such as Slovenia, Croatia, and Macedonia. When the almost four-year long war was over, the Republic—existing as an internationally recognized state since March 1, 1992, according to peace agreement initialed on November 21, 1995, in Dayton, and signed in Paris, France, on December 15, 1995—was proclaimed Bosnia and Herzegovina, an independent state, an internationally lawful subject, within its internationally recognized borders. A state continuity of the Republic of Bosnia and Herzegovina was guaranteed, as well as its membership in the United Nations and other international organizations. It is unambiguously stated in Annex 4 of Dayton Peace Agreement that all international contracts, as well as accession to international organizations, signed by the Republic of Bosnia and Herzegovina during the war, maintain validity and apply to the state of Bosnia and Herzegovina.

This is a compound state today, consisting of two entities: Federation of Bosnia and Herzegovina (51 percent territory) and the Republic of Srpska (49 percent territory), both having a high degree of autonomy. The first entity is also compound, comprising ten cantons, where five have Bosniak majority, three with majority of Croat population, and two cantons with special regime. According to the Constitution of the Federation of Bosnia and Herzegovina, cantons are given responsibility of identification and implementation of cultural policy. It is important to note that in spite of their Swiss name, the cantons are not those known from Swiss legislation. Present cantons in the Federation are not a result of historical development, but an administrative-arbitrary settlement, only partly taking into account the regional development that has been so far reached in Bosnia and Herzegovina. Many flaws of present cultural practice in Bosnia and Herzegovina are due to this basic reason, so to speak, prior-to-all-the-rest-reason.
What we would like to say is that Bosnia and Herzegovina—in its historical development so far—maintained its regional particularities, quite obvious regarding language, culture, ways of production, and general civilizational features of inhabitants of their different regions. The difficulties occurring in communication, due to features of the land, climate and other differences, beside other things, equipped Bosnia to be established comparatively early as a specific “community of communities”, which used to have clear lines to border surrounding countries. It had a great autonomy of regional communities and it maintained those over centuries through different state-territorial forms, starting with Middle Ages and emergence of independent Bosnian state, that reached its peak during the 14th and 15th century, through specific autonomous territorial forms in the period of Turkish rule (from mid-15th century to 1878) and during Austro-Hungarian governance (1878 to 1918). Forms of regional arrangement of society existed even during the most centralized governing system in Bosnia and Herzegovina, in the Kingdom of Yugoslavia (1918 to 1941), and during period of socialism (1945 to 1990).

It all means that Bosnia and Herzegovina inherits and nurtures a long tradition of development of regional entireties; in modern sense of the word, regions. All processes linked to relation between the center and outskirts, entirety of the state, and regions, centralism and autonomy, all of those have been its permanent quality. Thus our country is—in general spiritual terms, as well as a result of so far historical development—prepared for the experience and practice of decentralized, less hierarchized system; a system more adjusted to needs of local (national, regional, cultural and language) groups; a system of desired social relations, to be described as an advantage of accordance against decision-making at one center, advantage of seeking consensus about essential interests, about harmonizing different value-systems (the latter being also one of historical development outcomes). The basic question for us trying to deal with issues of harmonizing cultural policy and current cultural policies would be, Why can not this historic experience be used at its full capacity today in Bosnia and Herzegovina, because it would truly present its advantage? There are three groups of responses to this basic question.

First of all, processes of organizing a country in terms of its state, entity, cantonal and municipal form can be understood presently as processes of deconcentration, and not a decentralization. That is, rearrangement of responsibilities was made, so the entities have reached a high degree of legal autonomy, cantons are equipped with legal responsibilities turning them into small, but factual states, with completely encircled infrastructure systems; and at the same time territorial arrangement of municipalities, inherited from the previous system, still exists. It was due to that previous kind of arrangement that some of the largest municipalities in Europe could be found in former Yugoslavia. A fact that former Yugoslavia had 589 municipalities should be compared with 36,000 municipalities in France, and all should be compared with the number of inhabitants and with territorial proportions, in order to realize that in this segment it is more likely to be the case of high-degree deconcentration, and not decentralization. I think that present conditions confirm this evaluation, and the desired deconcentration processes, one of political and historical conditions for operation and running of this complex country, stopped at deconcentration level and froze exactly there, creating a kind of social block.

Secondly, activity of state, in that segment which modern theory of culture labels as an irreplaceable role of a state as a pressure factor, this role has been moved to second front of attention span. This pressure, conditionally speaking, is being expressed in two forms: in its legislative action, where the state tries to exercise its permanent influence in terms of meeting norms and standards of individual or all activities in culture; and in terms of its vectorial action, where, as a consulting partner, as an owner of appropriate expert knowledge and bureaucratic skills, it pressures other levels in order to have them do their duties and responsibilities in leading a consistent cultural policy. In this regard, a legislative competence of the state of Bosnia and Herzegovina is reduced to such a minimum, insufficient for operating of a normal, modern country. However, the largest portion of citizens of Bosnia and Herzegovina do not wish to live in an extraordinary, exotic country, but in an ordinary, normal, European country. A similar rationale is in the relation existing between the Federation of Bosnia and Herzegovina and the cantons; because trends of an autarkic iso-
ification, absolutely damaging to development of culture and modern communications, appears there to its full extent. It would be unreasonable, damaging, and opposite to international obligations that will continue to bind Bosnia and Herzegovina due to prospects of its acceptance to the Council of Europe to consider either entities, or cantons, competent of issues (such as copyright, intellectual property rights, cinematography, or activities of basic cultural institutions) that should play the roles of central institutions in their respective activities. This trend was advancing so much that initiatives endorsed laws on copyright or on cinematography at canton level, as if those areas have not been binding Bosnia and Herzegovina and its authorities with international norms and conventions this country must apply, exactly for concern of its own interest, and interest of its creative individuals. In this regard I welcome effort that Council of Europe extracted, and has been further extracting, through sending an expert mission to Bosnia and Herzegovina, in order to identify this problem impartially, objectively, and we hope more of efforts like this is yet to come.

The third problem group is connected to impossibility of stronger activity of factors that objectively support tendencies of decentralization in other European countries. That is market. I assure you that Bosnia and Herzegovina—at the level of possessing knowledge and experience, that is, at conceptual level—is ready to participate in processes of privatization, partnership, sponsorship activities, when it comes to cultural activities. Many cultural activities have substantial and good experiences in this regard. Basic problem is the fact that market for application of cultural projects is absolutely and comparatively small, and not even a minimum of possibility for reproduction can be secured, except for quite exceptional projects. Let us show an example of cinematography, where 27 existing movie-theaters in the Federation of Bosnia and Herzegovina, or 15 in the Republic of Srpska, do not provide a base for reproduction not even for 1 percent of resources invested in an average motion picture. A similar situation is noticed in other audiovisual media; in musical production; in publishing; in translation of literature, magazines; and activities in museums and galleries. That is why many good ideas and conceptions, regardless of their absolute acceptability and quality, can not work in the same way in this even smaller market impoverished due to consequences of war. This, in reverse, creates a stronger impression of our inertia or lack of willingness to keep the pace with movements in Europe.

There is however a possible way out of this situation of appearing hopeless. Now we cannot expand our market and increase its potential, but we can create conditions to resolve constitutional and legal issues first. I do not mean revision of the Peace Agreement, but its better interpretation. On the basis of existing provisions of the Constitution, Bosnia and Herzegovina can be responsible for other issues, too; primarily for those bearing significance for international subjectiveness of the state of Bosnia and Herzegovina, and at entity level, issues relating to exercising human rights. Right to culture is one of the fundamental human rights. This would, for the time being, be the only possible constitutional and legal base for settlement of necessary issues such as construction of a single, unified system of legal protection of copyright and intellectual property, cinematography, and audiovisual arts and communications, publishing, museum and archive activities. Unless an action is directed straight to center of political attention, there is serious transition disease of rejection and minimizing role of culture, due to pushing culture and its issues beyond margins of concern.
Makhtar Diouf  
Economist, Institute Cheick Anta Diop  
Senegal

Position générale du problème pour l’Afrique

En Afrique, après les indépendances, la culture a été en quelque sorte “mise aux oubliettes”. Les premiers gouvernements ont estimé qu’ils devaient s’atteler à des tâches prioritaires de développement dans lesquelles, la culture “activité improdutive et de luxe” n’avait pas sa place. Dans l’organisation administrative, parfois les problèmes relatifs à la culture sont noyés dans les activités de ministères de l’éducation ou de la jeunesse et des sports. Là où existe un ministère de la culture, celle-ci n’est pas vraiment intégrée dans les plans de développement.

Les activités culturelles, réduites aux manifestations folkloriques, ont juste le statut de distraction et d’attraction pour touristes étrangers.

Au plan financier, il est difficile d’évaluer de façon précise les fonds budgétaires affectés spécifiquement au secteur culturel, dans la mesure où, compte tenu de l’organisation administrative, les projets culturels peuvent être pris en charge par différents ministères.

Mais il est exclu que le secteur de la culture bénéficie de dotations budgétaires importantes; le coût d’opportunité des dépenses est implicitement jugé extrêmement élevé : ce ne sont rien d’autre que des détournements de ressources qui auraient eu un impact plus concret, plus perceptible dans les activités productives de développement économique.

Le lancement par l’UNESCO de la première décennie du développement culturel en 1987 avec son thème la dimension culturelle du développement a induit un certain changement dans les mentalités. La culture n’est plus séparée du développement, c’est une activité qu’ils convient de financer au même titre que les projets routiers ou sanitaires. Mais comment ?

Il convient d’abord de cerner de façon précise le champ de la culture. On peut à cet effet se référer à la Conférence Mondiale sur les Politiques Culturelles (Mexico 1982) qui inclut dans la culture non seulement les arts et lettres, mais aussi, les modes de vie, les droits fondamentaux de l’être humain, les systèmes de valeurs, les traditions et croyances.

Une telle démarche devrait permettre de mettre l’accent sur les traditions orales (transmission orale dans le temps d’un corps d’idées, de moeurs, de sentiments de génération à génération), les langues nationales (inséparables de la culture) comme base pour le développement de l’éducation, des industries culturelles (disques, journaux, livres, films, programmes de radio et de télévision...). Il existe en Afrique des structures à cet effet, mais dont le fonctionnement est ralenti ou freiné par manque de moyens financiers ; c’est ainsi que l’Institut Culturel Africain créé en 1976 a été fermé du fait des arriérés de cotisation des Etats membres, pourtant au nombre de vingt; Citons quelques unes de ces structures—audiothèques villageoises expérimentées au Mali, véritables bibliothèques orales constituées de bandes magnétiques enregistrées dans les langues nationales et portant sur des thèmes tels que histoire, technologiques traditionnelles, technologies appropriées, soins de santé primaire, agriculture, élevage:

- Centre d’Etudes Linguistiques et Historiques par Traditions Orale (CELHTO,1972) de Niamey qui a participé à la rédaction de l’Histoire Générale de l’Afrique préparée par l’UNESCO;
- Centre de Traditions Orales pour l’Afrique Centrale (CERDOTOLA, Yaoundé);
- Centre des Traditions Orales pour l’Afrique de l’Est (ECROTANAL, Zanzibar);
- Bureau Interaficain Linguistique, Kampala;
- Centre International de Civilisation Bantou (CICIBA, Gabon);
- Promotion de programmes culturels de cinéma, radio et télévision qui sont importés dans une proportion de 80% (à l’exception du Nigeria: 18 %)

Proposition de financement

Financement interne:

- Prévoir dans les budgets des Etats un chapitre “Investissements culturels” distinct du budget de fonctionnement du ministère de la culture;
- Instituer une taxe parafiscale sur les recettes publicitaires des chaînes de radio et de télévision, uniquement destinée au financement de la culture;
- Instituer un prélèvement similaire sur les recettes générées par les industries culturelles (cinémas, représentations théâtrales, films, livres)
- Faciliter le crédit bancaire aux entrepreneurs culturels (réalisateurs, auteurs) avec l’aval de
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l'État assorti de bonification d'intérêts sur les emprunts ;

Financement externe:

Comme les gouvernements, les bailleurs de fonds devraient prévoir le financement d’activités culturelles dans les projets de développement.

Un financement approprié des activités culturelles est indispensable pour leur développement. Cela aurait des avantages dans le court terme (création d’emplois); dans le moyen terme (réduire les importations de programmes culturels étrangers dont certains ont une action nocive sur la jeunesse des pays en développement); l’enracinement culturel qui en suit est tout le contraire du mimétisme culturel : les productions nationales sont privilégiées en lieu et place d’importations de biens de luxe coûteux qui pèsent lourdement sur les balances des paiements. Ce qui montre que la culture peut être d’un apport positif ou négatif à l’économie.

Arjun Appadurai
Samuel N. Harper Professor,
Anthropology
University of Chicago

I speak, unlike my two predecessors, not for any official body or for any government, but I have in my mind the country in which I teach and work, which is I think the richest country in the world, the USA; and the country in which I grew up with which I have a deep affiliation and ongoing connection, India, which is surely among the poorest countries in the world, especially when its scale is taken into account. These are my informing experiences as I speak to you today briefly on some general points. I speak to some extent also for the field of anthropology, which is my professional field. I am very glad that in this conference devoted to the study of culture, there are some anthropologists in this room, since we once upon a time used to think of culture as being our special province. But though that bird has flown the cage, nevertheless it is nice to see that a few of us have spoken from time to time at this important event. We hope that our presence will enrich our own field as well and improve our own understanding of culture, which is dear to us on a daily basis in the classroom.

Let me make the general comment that we are all, I believe, inspired by President Wolfensohn’s remarks to the effect that culture is not an adornment, a luxury, or an afterthought. And I think many of us found it encouraging and easy to conclude that culture is in fact deeply entwined with the dignity of the dispossessed of this world, a number that he reminded us is growing. Culture is thus, to repeat something that has already been said many times in many ways, a vital and central component of any global development strategy for the coming millennium. It is also apparent that among the many exciting intellectual opportunities and conjunctures that accompany 1999 and the millennium to come, one is the potential partnership between UNESCO and the World Bank. This partnership could also open up to other partners and promises a dialogue between culture and economics, and between culture and development, which might break through the one-sidedness and the cliches of talk about culture and development which have gone on for 50 years. If that alone is the byproduct of
this conference, it would be a good thing, but I am sure there will be many other good results, though there will be many challenges to this partnership, too.

Now, I want to speak briefly to the central topic, constraints on resources for culture in developing countries and economies in transition. Already, much has been said by my distinguished predecessors that spoke on these problems. And I want to add a few points. Because the subject is constraints, my talk will not be excessively optimistic, but I hope it will not be a pessimistic talk either. So let me speak about the constraints that look large and serious to me, constraints on resources for culture in developing countries.

First, the major constraint, in my view, is an ideological constraint and a general one. Culture today is a central arena of debate rather than an area of consensus. Thus, all efforts to subsidize culture often seem partisan and thus may appear politically undesirable, regardless of your position. So culture as debate poses the first major constraint on funding anything cultural, whatever we mean by culture.

The second constraint is that culture has been radically de-democratized. Since culture has been both marketized and, in my view, deeply nationalized, large sectors of the world’s population have been completely disenfranchized from the production of culture and turned into either voyeurs of high-level cultural spectacles or into objects of cultural voyeurism themselves.

The third constraint connected to the second one is that in the era of liberalization and privatization in which we now live, cultural production has become increasingly the province of global mass media. This is particularly true of electronic media, whose predominantly market orientation has overwhelmed all forms of cultural production which do not provide mass entertainment. In India today, for example, you cannot make a television program and have it succeed unless it has some direct reference to Hindi cinema. If it is not built on Hindi cinema, the program is dead. You will get no money, you will get no sponsors, you will have no airtime, you will have no audience. This example can be multiplied a hundred times.

Thus, culture as identity—something we are all interested in—has become largely divorced from culture as entertainment, and both have been increasingly privatized. Thus, the bottom 80 percent of India’s population, for example, find in mass culture almost no tools for knowledge building, skill building, value building, or strategy building which might improve their life chances. These are serious deficiencies.

Thus, my fourth point, culture is either the victim of high-end market forces or, when still supported by the state, it is overwhelmingly devoted to the interest of national cohesion and national interest rather than to local or regional aspirations, or the deepening of the sense of citizenship. These are four major constraints.

Let me conclude now with just a few comments on the order of the famous question posed by a great political leader from another time: “What is to be done?” Of course, there are no quick fixes but a few things come immediately to mind, utopian as they may seem.

Resources of the World Bank are considerable. And so is the expertise of UNESCO, as well as its large networks of cultural practitioners, activists, theorists, academics, and so on. The following possibilities come to mind as positive approaches to this rather daunting situation regarding constraints on cultural support for culture. One, increasing local knowledge of global processes, without which whole localities will drop off the map. Second, we must support efforts to create what I and others have called sustainable pluralism. Not pluralism for one minute in one place, but sustainable pluralism. Third, we must fund efforts to produce knowledge, debate and opinion formation among the poorest 80 percent who are now hardly in the debate, as I have already noted. Finally, we must enhance mechanisms for what I and others are calling grassroots globalization. That is, not just the globalization of capital, nor just the globalization of the nation state, both of which have their own ways of being global. But the globalization of grassroots organizations, nongovernmental organizations, and activist organizations that are sometimes called community organizations. Those grassroots organizations today are also interested in being global in their way. But we
must support that effort. And that is a serious, complex, and challenging task.

I end with a short anecdote, having made these four very general suggestions, each of them requiring hard thought, much debate, careful specifications, and detailed production of scenarios; but I have the time only to point to them. I think in them lie the grounds for intellectual and political optimism.

Let me end with Florence, which is our home setting for this special event. I have never been to Italy before, except in passing. I have certainly never been to Tuscany which is also extraordinary; and I have never been to Florence which is even more extraordinary. In all my movements through the city, to the Palacio Vecchio or to the Duomo or to the many stunning piazzas in this city, or to the churches which dot the city, its huge monuments and so on, I see three things.

First, I see these splendid testimonies to cultural productions from an earlier time. Second, I see that every time your eye wanders, the market is nearby. But there are two markets. One is of course the market of upscale shopping which is always within 10 feet regardless of what monument you are looking at. And I say this without any cynicism. I am myself thrilled by the designers that I can actually see on their home ground. But third, there is something else that I have seen in every public space that I have been to in Florence; and that is people from Senegal, people from Ethiopia, people from Bangladesh, people from many parts of Asia, who are also selling various kinds of cultural goods. These markets in all kinds of humble products are right next to the upscale designers and right under these great monuments. These people are from all over the world, and they’re also conducting an impressive form of public life. So, in the Piazza Santa Novella, where my hotel is, if you go out in the evenings, you see people from all these nations and a few native Italians as well, simply socializing.

In Florence, and I imagine this is true in Sienna, in Torino, in Milan and in Rome, we have grand works of high culture surrounding us and animating our environment; and we have the great markets of upscale design which also are drawing on art traditions. And finally, we have people of color, people from all over the world who may not be entirely welcome, but who are certainly here making a life, making a livelihood in the face of these monuments and in the face of Ferragamo and the others.

So my question is this: Can this conference, can we all, can others concerned with these issues, make policy, make a vision, make societies in which all these versions of culture and livelihood find a space? And if the answer is yes, we would have accomplished a great deal, but the journey is going to be hard and it can begin here in Florence.
Session VI.B2.

The Cultural Impact of Development on Civil Societies and Indigenous Culture

Session VI (Roundtable B2) examines how to mobilize resources for culture through civil society and indigenous people involvement. The session also discusses issues such as the tension between preservation and modernization of cultural values and gender issues related to culture. Case studies and success stories provide some answers.

The session was moderated by Ian Johnson, Vice President, Environmentally and Socially Sustainable Development, The World Bank.

Mpho M. Malie  
Minister of Trade, Industry, and Marketing  
Lesotho

The question that comes to mind is: How does culture impact on itself? What is culture? What properties does it have to influence itself to be catalytic and dynamic within itself? As a politician within a developing economy, what role do I have to play in this scenario? How do I handle the pictorial definition and behavior of culture? And I was insistent in these questions by the definition that the Honorable President of the World Bank came up with, which is a UNESCO definition of culture. We have had that definition throughout the deliberations. This definition says to us that culture is a whole being, and the question that arises is how do we impart on ourselves to be whole and complete. A tough question indeed—a question that is multi-faceted and also multi-dimensional.

How do we tackle our needs and our development path in spiritual, academic, artistic, economic arenas and all other spheres of life? How do we finance them and what other resources do we allocate to them? How do we sustain this development when plans are clearly articulated? For example, what finances, resources, and planning do we need for spiritual development to arrest the moral decay that is eating deeply into our societies? Similarly, how do we sustain intellectual development to allow for growth in information technology, study of history, sciences, and other faculties? How do we culturally culture ourselves?

It is hardly surprising that culture is the central theme of this conference—culture counts. Because whichever way we look at development, culture plays a pivotal role. Everything we live, we touch, we eat, we breathe is culture. I am aware that different definitions and formulae have been ascribed to the process of economic development in a perspective that may seem to exclude the cultural dimension. I hold the view that culture is a catalyst for economic development. In this regard, any attempt at defining economic development should recognize the diversities of cultures—the heritage, value systems, and beliefs particularly in the African context.

I would like to pick an example of what I have just said in terms of my own country, Lesotho. In 1986 a bilateral treaty was signed by the Government of Lesotho and the Republic of South Africa in which Lesotho was to supply water from its highlands to the industrial heartlands of South Africa. This resulted in some of the largest dams
constructed at the highest altitudes within Lesotho. This project, which has come to be pop- ularly known as the Highland Water Project, has cost over US$3 billion up to date. This project was financed greatly by the World Bank, the Euro- pean Investment Bank, the African Development Bank, and other world financiers. The treaty was signed between a party of the then Government and a military junta in Lesotho. And that goes for the culture of good government.

What I would like to point at are the cultural taboos that were not addressed when that project was envisaged and planned. What is normally referred to and termed negative or toxic culture is not properly addressed. Within the Basuto culture in the rural areas, there is a culture of pre-born and after births on ash dumps. What happens is that when people take out the ashes in the morning or in the evening, whatever time they take the mound after they made a fire and after the burned down, they have a place that they use to throw these ashes away. But that place is a sacred place because the after-birth and stillborns are buried in those dumps. And nobody took cognizance of the fact that there was that culture, that belief, or that kind of practice. And it became a problem when construction had to start and people had to move from their homes, to be relo- cated. These supposedly ash dumps are sacred graves to the Basuto, and just moving those ash dumps was a very serious issue, which ultimately of course was amicably resolved. But these things can make great projects fail because the cultural impacts or the beliefs of the people have not been properly considered.

The preservation and modernization of cultural values of any society cannot take place without the full commitment of governments and communities. There must be tangible, legally and morally binding, structures that will address the common understanding of the destiny of the nation as it embarks on its developmental pro- grams, with culture as the unifying factor. In my view, governments—in addition to facilitation and establishment of the legal framework within which the development of culture should occur—should set aside funds from their budgets for the development of culture. The budgetary allocation should be made on the basis of key policies and guidelines formulated after due con- sultations with societies, as this process of dia- logue will enhance ownership. Ownership is important because for any success of any devel- opmental initiative, ownership forms a pivotal and vital ingredient. It is in fact the Achilles heel of most developmental programs and/or projects. Huge amounts of resources have been invested into programs with vast potential for economic growth, job creation, and poverty alleviation; but these programs have failed primarily due to lack of ownership by the societies that they have been meant to help. Governments should make it a point that civil societies get fully involved in development programs, taking full cognizance of those societies’ values and taboos. Governments should simply be smart and practice smart partnership for programs to succeed.

Let me just elaborate on this concept of smart partnership and the concept of dialogue. This was started by the Commonwealth Partnership on Technology Management (CPTM). Also, a number of Commonwealth States and regions in the Far East, Southern Africa, and the Caribbean have been involved with a number of interna- tional dialogues in these regions since 1997. In fact the Southern African international dialogue sponsored by His Excellency, President Mugabe, is taking place presently at the Victoria Falls in Zimbabwe. The basic principle of dialogue is for governments, the private sector, labor, the me- dia, academia, and civil society through all its possible forms to come together to meet a com- mon vision for the development of the country and regions that all will ascribe to. In simple terms, a common destiny for all.

Let me move on and say that these dialogues assisted awareness of those issues that can form social problems and hurdles in the process of de- velopment. I would like to give a simple example, which maybe to a Westerner does not seem too much of a problem. President Clinton a few months back had a lot of problems that were flashed all over the papers about extramarital af- fairs. In Lesotho, it is a taboo to come up with print like that, because basically within our culture, we don’t have illegitimate kids. There are no illegitimate kids; nobody talks of an illegiti- mate child within my society. And for somebody to come up and publicize extramarital affairs can become a serious problem. So those issues are discussed with the media, those issues are brought up in this dialogue to say the freedom is there, the freedom of the press is there. You can say anything you like about government, you
can say anything you like about organization. We believe in transparency, we believe in accountability, everything should be above board. But there are those issues that become national taboos. And it is important to dialogue to make sure that people are aware of those.

We also have what we termed initiation schools which run for about six months to a year. In these initiation schools, boys of about 18 and 20 and girls of about similar age are moved and taught the national culture, dances, whatever; and they attend up to manhood. And we are talking to the people who conduct—the instructors of these initiation schools—to say to them, “let’s be agreeable that when you do this, you take up initiations in the mountains, in the privacy wherever you are, make sure that land reclamation is done during the initiation project, dangers are properly addressed, tree planting is done wherever you are.” And we are saying “be aware of the age limit as well; don’t take 15 or 16 to initiation schools.” Also negotiating with our own church schools to say, “if children are from initiation schools, let them not be band from the mainstream of the educational system.”

And these issues are national cultural issues that need to be discussed and properly defined and understood by those interns and those who are coming in externally either to help in the forms of donations or programs or investments. The issues need to be clearly articulated.

The private sector should also be fully engaged. Measures including tax deductibility of expenditure incurred for meaningful cultural activities may be introduced to encourage participation in cultural development programs. Indeed the private sector should play a role in the cultural development of societies, not as promotional gimmicks for the sake of boosting bottom lines, but through participation and engagement.

Should the World Bank and other banks invest in culture? Yes, they should. Should they invest in education? Yes, they should. Should the private sector invest in these social programs? Yes, it should. Some private sectors invest in their social programs, and this is highly encouraged by governments.

There is a serious problem in my part of the world—the problem of HIV/AIDS. And everybody is up in arms to fight this scourge that is threatening to wipe us all out if we don’t do anything about it. I would like to say that in Lesotho the government, the private sector, churches, and civil society are all up in arms fighting HIV/AIDS—a direct investment in health.

A question arose about the World Bank’s encouragement for the private sector to invest in health. Yes, the private sector should invest in health in terms of private services, private clinics, private hospitals, medical aid. Yes, they should. Well, they are looking at the bottom line in thinking that they would make profits. But they should also invest in health in supporting their own employees, in supporting their societies that they will be investing in. It is more wasteful for the private sector to be training a person every month because the previous one that they have trained has just been buried with AIDS. And our private sector is aware of this. They have moved, and they are moving in all directions to make sure that the spread of HIV/AIDS is contained.

The Government of Lesotho, taking cognizance of the critical importance of the cultural dimension of development, has established a fully fledged ministry responsible for cultural programs and activities. Furthermore, the said ministry sees to it that activities are meant to reconstruct and rehabilitate buildings and structures, including the preservation of indigenous flora and fauna of cultural heritage.

It is my feeling that there should be a holistic approach involving all sectors for the mobilization of resources on cultural development. In this regard, communities could be encouraged to take part in activities such as musical festivals, as well as sports, meant to articulate the importance of culture in the development of their societies. These activities are there, they are all over it.

The World Bank, the donor community and international organizations, in conjunction with beneficiary governments, could agree on strategies that will inculcate the inclusion of cultural impact assessment in projects that they finance. They should probably be done in the same manner as the Bank and donors justifiably insist that projects should have environmental impact assessment carried out before funding can be released. Maybe, the World Bank can develop that theory and see what could possibly be done about cultural impact assessment. These measures can engender the sense of responsibility for cultural development by both host government and donors and thus avoid cultural degradation as all stakeholders would consider culture as an important variable in the equation of development.
Culture is a vector with both direction and method. A proper mix of these variables will bring about the expected development results. If we keep it in the first quadrant in positive spheres and let it stay there, then it will work for us. But any other quadrant that we move it into, we should expect that quadrant results and never be puzzled by them. There is currently in the world the concern about Y2K compliance—a concern that has been brought about by one of the good practices of computer scientists and mathematicians, the principle of optimization. Optimal usage of scarce resources. Let us optimize but not be too short sighted. Let us optimize on the impact of cultural development, and let it comply now for sustainability.

Stefano Bianca  
Director of Historic Cities and Support Programme  
Aga Khan Trust for Culture

On behalf of the Aga Khan Trust for Culture (AKTC), I would like to thank the World Bank and the Italian Government for the invitation to participate in this important seminar and to speak in a city which is a living example of the fact that “Culture Counts”. Let me add that the interaction between culture and development has been essential for the AKTC since its inception and continues to be the focus of its “Historic Cities Support Programme” (HCSP), operating since 1992 as the project-implementing agency of AKTC.

Since today’s roundtable is to deal with the impact of modern development on indigenous cultures and civil society, I propose to share with you a few thoughts on the attitudes of technical assistance provided from outside, as well as possible ways of fruitful interrelation between “experts” and indigenous knowledge and practices. In the second half of my speech, I will illustrate ways of mobilizing local resources with a few examples taken from various sites of the current HCSP portfolio.

Before raising some issues of more philosophical nature, let me relate an anecdote: When planning the new provincial capital of Chandigarh in the late 50s, the architect Le Corbusier—one of the figureheads of the Modern Movement—was reminded by an Indian colleague of the importance of local living traditions which should be reflected in the plan. His answer was: “Que signifient les coutumes indiennes aujourd’hui, si vous dites oui à la machine, aux pantalons et à la démocratie?” (“What sense do local habits and customs make today, once you say yes to the machine, to trousers and democracy?”)

Forty years later, looking at the results of modern post-war development, this statement appears both naïve and presumptuous. It still reflects the views of a technology-driven development concept rooted in the utopian ideas of the late 19th and early 20th century, when it was thought that modern science, industrialisation, and rational planning methods—combined with free market forces according to some, or with communist procedures according to others—could produce paradise on earth for all. The ide-
ology that resulted from such thinking (a perverted modern eschatology, so to speak) did away with non-quantifiable cultural values and was, by necessity, blind to the qualities of age-old cultural traditions. These tended to be discarded, wherever they survived—without considering that they offered social, emotional, and spiritual resources and incentives which the modern development paradigm has been unable to produce by itself.

During the past few decades, the bankruptcy of the modern utopia of “progress” has become evident to most observers and actors in the field. Its collapse was triggered by the increasingly serious environmental problems caused by a one-sided, unbalanced form of technological development. Within decades, natural resources accumulated and sustained over thousands of years have vanished, and the diversity of species responsible for both the richness and stability of our eco-system has been dramatically reduced.

Traditional societies followed a different philosophy: while they obviously had to struggle with the natural environment, they never succumbed to the temptation of treating the creation as a dead “raw material”, as it were. They considered themselves as part of the environment; not only because they did not have the means to overrule it, but even more so because maintaining the balance between man and nature was intrinsic to their wisdom and spiritual principles. Indeed, most traditional cosmologies believed in the wholeness and unity of creation: man was integrated in a larger concept of the world, rather than the world being subject to the limitations of the human mind and its particular perceptions.

In a sense, modern technology cut the umbilical cord between man and his environment. Suddenly both were experienced as two independent entities no longer related to each other. Man’s inner cosmos was no longer seen as a reflection of his outer cosmos. The modern development paradigm thus tended to ignore deeper cultural concerns, much in the same way as it excluded environmental protection from its agenda in order to become seemingly more productive and “efficient”. Indeed, it relegated culture to an isolated abstract domain—away from what it thought were the basic, more material needs of life. For, due to its own limited standards, modern development found it hard to acknowledge basic needs of a non-material order, let alone the fact that the mix of material and non-material impulses is a prerequisite of a lively and fulfilling human existence.

More recently, however, a new awareness of the fatal omission of environmental and cultural concerns started to grow in Western societies, in parallel with the acknowledgement of the obsolete nature of many conventional modern development concepts. Voiced by visionary artists, philosophers and scientists—some of their publications going as far back as before the First World War¹—these concerns were finally captured and broadcast by international conferences and reports of UN agencies, such as the Rio Summit in 1982 and the report on “Our Cultural Diversity”, to which many speakers have already referred. This new awareness has also changed our attitude to indigenous cultures and their achievements, which suddenly no longer look “outdated”, but in many ways appear as ground-breaking for adapted and innovative new approaches.

We now realize that we must look more deeply and more sympathetically at the perennial values of cultural traditions, their evolutionary potential, and their chances to survive under new auspices. We are ready to acknowledge that the processes of human life are much more complex than the conventional tools and mechanisms used by simplistic planning techniques assume. We accept that in a time of rapidly accelerating outer change, inner continuity has become of vital importance. We have learned that we can no longer afford to romanticize about the benefits of an utopian type of modern development; that we must scrutinize the actual effects and side-effects of “progress” and that we must make sure to respond to the most essential human needs—as opposed to “needs” insinuated by seductive and overpowering market forces. We have also experienced that “democracy” is not immune from all sorts of abuses and that it is rarely able to instill the inspiration and the sense

¹ German thinkers hardly known in the anglophone world have been at the forefront of the critical review of utopian concepts of “progress”. See for instance the articles of Berthold Vallentin, Karl Wolfskehl, and Friedrich Gundolf in the “Jahrbuch für Geistige Bewegung” (1910-11) and Ludwig Klages “Mensch und Erde (1913); later Karl Jaspers' “Die Geistige Situation der Zeit” (1931), Wilhelm Röpke “Die Gesellschaftskrise der Gegenwart” (1942), F.G. Jünger “Die Perfektion der Technik” (1946), A. Portman “Biologie und Geist” (1956).
of legitimacy that is needed to mobilize societies and communities from within.

What is therefore required at present is an enlightened and realistic view of what "development" can—or cannot—achieve, and to explore means of how development can work hand in hand with deeper cultural and social forces, and indeed harness their internal dynamics, rather than stifling them.

The first step towards this new state of mind is to acknowledge that development in the conventional sense was something imposed from outside, often relying on artificial constructs of reality and alien to the local context. Indigenous cultures, in contrast, were always developed from within, drawing on deeper spiritual resources, mobilizing strong emotional forces and producing an implicit, almost organically grown social cohesion. They had an instinctive, rather than exclusively rational sense of appropriateness, and the striking unity of their formal expressions was never due to rigid external rules and prescriptions, but resulted from internalized codes of individual and social behavior that were rooted in deep emotional and spiritual convictions.

A new type of culturally sensitive development must respect such internal social processes which can spark initiatives, create motivation, and infuse meaning to human activities. It should seek to revitalize and sustain them where they have been lost or weakened. Development from within, in harmony with the intrinsic cultural values and motives of local or indigenous societies, is an often overlooked pre-condition for achieving self-sustainability—the new hallmark of revised modern development policies.

But let us not fool ourselves: new development directions cannot be efficiently implemented by abstract rules, regulations, and procedures only, as rational and well-intentioned as they may be. Laws and regulations may prevent abuses, but will not nurture creative forces and emotional responses. In-depth changes and re-orientations can only occur if the inner springs of a society can be reached, or, to put it in other words, if people can be touched in their hearts, their senses and their own mode of thinking. Only then will it be possible to implement new objectives via spontaneous actions from within, and to make a variety of individual acts converge into a stream which can act like a force of nature.

My contention therefore is that adapted local development must be based on a type of subtle "infiltration" or "osmosis" which is imbued with respect and empathy for the values of the cultures concerned, thus allowing it to reach the vital inner center of a society and to help orient and control the processes of change imposed by an ubiquitous, but relatively superficial "modern civilization". Without being able to elaborate on this concept at greater length here, my limited experience suggests that the following few rules would be essential for outside professionals when interfering with indigenous cultures:

- Planners must understand, respect, and support, as much as possible, the inner realities of indigenous cultures, rather than transferring or—implicitly or explicitly—imposing foreign values and standards.
- Planners must contribute to making indigenous societies aware of the shortcomings and the risks of unadapted, often illusionary development ideologies, the consequences of which are often not transparent to local communities.
- Planners must be inventive in their search for locally grown solutions rooted in the interpretation of pre-existing cultural traditions—solutions which need to be developed in close cooperation with local communities and can increase their pride and sense of ownership.
- New, adapted development structures must consider and harness all aspects and levels of human existence, from the material to the non-material, and integrate spiritual, social, economic, physical, and institutional resources in ways which are both meaningful and tangible to the local population.
- Such integrated development concepts need to be worked out and implemented in nuclear form, that is, at a small scale and in well-defined social settings, in order to foster identification between people and their environment and to enable people to relate to and actually manage their micro-universe—which also means enabling them to resolve potential internal conflicts on their own.
- Once established or reinforced, lively cells of integrated development must be encouraged to radiate, extend, and reproduce themselves, thus releasing a continuing snow-ball effect, as it were.
- Strong interaction must be promoted between a network of related but differentiated cells of integrated development, in order to spark synergies and achieve a growing impact at higher political levels.
• Effective support, or at least tolerance and goodwill, must be secured from central and intermediate administration levels, in order to allow local initiatives to flourish and to expand.

• Financial support from national and/or international sources must be obtained, once viable objectives and procedures have been set up and once the local set-up has proven to be efficient, self-managing and eventually self-sustainable.

All this may sound more abstract and complicated than it is in reality. Let me therefore try to visualize the subject with some illustrative points taken from three of the six projects which the Aga Khan Trust for Culture is currently implementing through its Historic Cities Support Programme. In doing so, I will lead you from Samarkand (Uzbekistan) to the Hunza Valley (Northern Pakistan) and Zanzibar (Tanzania). My intention certainly is to present success stories, but also to point out problems encountered, particularly in the first example concerning Samarkand. Beyond single monuments, I shall put emphasis on the issues of traditional housing and public spaces, because they constitute the main part of historic cities, are of direct relevance to people, and provide the most interesting field of interaction between cultural, social, economic and institutional development factors. Let me attempt to define the key issues of each case as concisely as possible, and in lieu of images describe some key points.

Jorge Uquillas
Senior Sociologist, Indigenous Peoples Program, Latin America
The World Bank

I would like to tell an anecdote. About three years ago, I went to Geneva to a meeting of the United Nations Working Group on Indigenous Peoples. To my surprise, the Bank Information Center, an NGO that keeps tabs on multilateral organizations, had a session on the World Bank and Indigenous Peoples. Since I was one of the few representatives of the Bank in Geneva, I decided to attend this meeting. To my surprise, at the entrance of the conference room, there was a project identification document of the World Bank on Ecuador's Indigenous and Afro-Ecuadorian Peoples Development Project. For a moment, I was reluctant to enter. I thought that the meeting would be mostly oriented to criticize the Bank and that I might find people who would ask questions that could not be answered satisfactorily—questions like why the Bank is supporting social adjustment, or why the Bank has been slow to adopt social and cultural policies, or how to explain some of the adverse factors of some Bank projects in Asia and Africa. In any case, I decided to take the challenge and went to the meeting. Before the session started, I introduced myself and asked the organizer: “I’d like to know why you have this document outside?” And she said, “That’s an interesting question. We have that project identification document because it is a demonstration of the potential that the Bank has to work with indigenous people around the world.”

I’d like to tell you about my experience of working with indigenous people in Latin America and, particularly, about a novel project of ethno-development. In a way, it is a different take of the title of this conference—Culture Counts. And I would say in this case that we are talking about cultures that count. As you know, in the last few years, the World Bank has shown a greater concern for the social dimensions of development. As part of that gradual change, we have seen the adoption of an indigenous peoples’ policy, which essentially had the intention of preventing adverse effects of project interventions on indigenous peoples and has gone beyond the promotion of indigenous development.
The concept of ethno-development, formulated by Latin American social scientists, argues about the needs to have a new paradigm of development where the improvement of conditions of indigenous people is based on their own vision, starting with a deep understanding of their socioeconomic and cultural conditions, and on their priority needs and demands. We have used this concept in the design and implementation of a project in Ecuador. The project targets indigenous and Afro-Ecuadorian peoples that, according to national statistics, are at the bottom of the social ladder. So, in this way, it is also targeting poverty.

At this point, I would like to highlight some statistics about the composition of the beneficiary population of this project. First of all, indigenous and Afro-Ecuadorian peoples are estimated to be around four million or about 30 percent of the total population of the country. They have a rich cultural diversity; representing 13 different cultures. Although some of them hold large communal holdings (particularly in the Amazon and coastal lowlands), 80 percent of them are under the poverty line.

The project is the first stand-alone investment operation financed by the World Bank that focuses exclusively on indigenous and other ethnic minorities. It also marks the first time in the history of Ecuador that a government borrowed resources to invest specifically for the benefit of its indigenous and Afro-Ecuadorian population. Furthermore, the project also signifies the first platform based upon which indigenous organizations and the Government of Ecuador have joint forces to put the vision of development with identity, also called ethno-development, into practice. This vision builds on the positive qualities of indigenous cultures and societies, including a sense of ethnic identity, close attachments to ancestral land, and the capacity to mobilize labor, capital, and other resources to promote local employment and growth.

These notions have been incorporated in the Indigenous and Afro-Ecuadorian Peoples Development Project that currently is investing in local capacity building; small-scale, demand-driven rural subprojects; land tenure regularization; cultural patrimony activities; and institutional strengthening of the National Council for the Development of Ecuadorian Peoples (CODENPE). The total budget envelope of this project is US$50 million for a period of four years. The World Bank is financing the project with a US$25 million loan; the International Fund for Agricultural Development (IFAD) is co-financing in an amount of US$15 million; while the remaining US$10 million is being financed by the Government of Ecuador as well as by indigenous communities and their organizations. Project preparation started in early 1995. The project was approved in early 1998 and became effective in September of the same year.

I have brought the case of the Indigenous and Afro-Ecuadorian Peoples Development Project to this meeting because it is an example of how to promote the positive aspects of development on culture. In fact, the whole project supports culture. By supporting indigenous peoples rights to land, it is supporting the basic conditions for their development. By supporting the participation and the strengthening of indigenous and Afro-Ecuadorian social organizations, it is also supporting culture. By providing funds for development according to the beneficiaries own vision, it is also supporting culture.

There are many lessons that the World Bank is learning from designing and implementing this project. In the following section, I will briefly discuss them. They are classified in the following areas:

- Critical entry conditions,
- Project preparation process success factors, and
- Essential project design features that underlie the application of the concept of ethno-development or development with identity.

The critical entry conditions identified include:
- Existence of distinct population characteristics,
- Strong poverty-ethnicity relation,
- Presence of strong social organizations,
- Commitment to finding common ground, and
- Existence of an enabling policy environment.

The project preparation process success factors that were identified could be listed as:
- Existence of a participatory framework for joint decision-making,
- Appropriate division of functional responsibilities,
- Relatively high degree of project autonomy,
- Conducive working environment,
- Transparent rules of the game,
- Ability to mobilize alliances,
- Hands-on experience,
• Flexible processing schedule, and
• Continuity of task team.

The project design features that appear to be essential elements to apply the concept of ethno-development include:
• Existence of an objective beneficiary targeting mechanism,
• Focus on mobilizing social capital, and
• Concrete cultural dimensions.

To conclude, I would like to reiterate that the Indigenous and Afro-Ecuadorian Peoples Development Project is a case that demonstrates how the World Bank is adopting new ways of including culture in development. Thus, the Bank is not only supporting the preservation of tangible cultural heritage, as represented by architectural monuments and the numerous expressions of art. It is also increasingly supporting indigenous peoples around the world, those living cultures that need help because they, more often than not, are economically poor. In doing so, the Bank is recognizing that even though indigenous peoples might be economically disadvantaged, they are also endowed of many assets. Culture, as seen here, is an asset, a form of social capital. Besides cultural assets, many indigenous peoples also own lands rich in natural resources. What they need is technical support to better formulate their own vision of development, to set their own priorities, and to make their demands known. They also need financial support for innovative operations that allow them to work within the paradigm of development with cultural identity.
Session VII.

Strategies to Support Culture in Sustainable Development

Session VII presents the results of the thematic working groups to the plenary. In reporting to the session, the rapporteurs were asked to relate to two key words in the title of this conference: development and resources. It is important to show how the activity of the group, according to what was discussed, will support development and, in particular, poverty reduction; and, regarding resources and programs and projects, how the activity of the work will continue in the future and what initiatives are being presented and proposed.

The Thematic Working Groups will present an outline of the practical actions envisaged as the outcome to their deliberations and may include the following:

- Announcements of programs by international institutions;
- Guidelines of new financial mechanism (trust funds, voluntary contributions);
- Announcements of agreements among new partners;
- Announcements of new initiatives and brokerage sessions; and
- Mobilization around common objectives.

The session was moderated by Franco Passacantando, Executive Director, The World Bank.

Utit Kaotien
National Economic Social Development Board
Thailand

CULTURAL CONSERVATION IN EAST ASIA (GROUP 5)

Let me start the report of the East Asia working group that was organized in order to allow the countries of East Asia the opportunity to gather and discuss this major issue in cultural heritage conservation in our countries. Representatives were here from Cambodia, China, Indonesia, Lao PDR, Mongolia, Papua New Guinea, Philippines, Thailand, Vietnam and Fiji. In the course of the discussion, country representatives discussed their highest priority for cultural heritage activities, the major constraints they faced in accomplishing their goals and the ways in which they think the World Bank can be most helpful for their work.

Common themes for investments which emerged in the discussion: First, investment in local ownership of a cultural assets. There was widespread support among the participant countries for the idea that local community must take ownership of and responsibility for their cultural assets, in order for them to be adequately protected. One way to do this is to invest in cultural conservation and development activities, which have aesthetic and historical value for local people and which can benefit local communities. These benefits can be either tangible economic benefits or intangible benefits such as self-esteem and self-confidence. The second theme is the investment in community education and participation.

In Cambodia, the most important priority for investment is education that reestablishes understanding and appreciation for cultural heritage at the community levels. In this way, national community values are reaffirmed, conservation is ensured, and tourism, which is both dignified and homogeneous, is developed.

In a nutshell, the idea of stimulating grass-roots activity in cultural activities, especially in the living art, is given a high priority. For its potential to empower communities and increasing self-confidence and self-sufficiency, the use of cultural-based curriculums, museums, and site interpretation were discussed.

The third theme is the investment in cultural diversity and contemporary culture. Papua New Guinea expressed the importance of supporting respect for cultural diversity. Because the country has seen this as a key to the essence of nationalism and solidarity. Vietnam also mentioned the importance of investing in the national cultural
identity. On this note, audience participation was enthused on the importance of looking at the living culture as well as the beauty of imminent object. The Papau New Guinea representative stressed that culture is a living, changing phenomenon which must be enabled to grow and change. Investment in the art and culture of today will not only create the heritage of the future but reinforce respect for the past culture.

The fourth theme that we have discussed is the investment in policy and regulatory, legal, and incentive frameworks. Thailand suggested that national development plan needs support in order to include policy and strategy that could effectively help conserve Thai culture. China underscored the need for regulatory frameworks and incentives to guide conservation effort and direct resource to priority target.

The fifth theme, the investment in job creation and cultural enterprise development. Mongolia, along with many other countries, emphasized the need for investment in cultural enterprise development and job creation, which include tapesstry making and cultural management training. The group expressed interest in helping or documenting the economic benefits of investing in culture.

The sixth theme, investment in urban revitalization. China emphasized their desire to revitalize urban area while balancing economic development and cultural conservation. As one of the fastest organizing countries in Asia, the Philippines is intent upon stimulating investment in urban conservation and revitalization that is politically integrated with economic development and support for living culture.

The seventh theme is the investment in sustainable tourism. Lao PDR discussed the importance of investment in respectful and sustainable tourist development, which protects the environmental and cultural assets in their country. Vietnam emphasized, as well, the need for investment in cultural heritage management and planning for sustainable tourism and economic development.

Marc Laenen
Director, ICCROM

VALUING HERITAGE—BEYOND ECONOMICS
(GROUP 7)

The seminar and the workshop that we had the privilege to organize was a continuation and actually a test to reality of results obtained in the interdisciplinary discussion held at ICCROM headquarters last week, on valuing heritage beyond economics. It was an interdisciplinary workgroup comprising economists, decision-makers, conservation professionals, social anthropologists, art historians, archaeologists and so on. Also different cultures were represented in the working group.

We recognized that cultural economists develop economic valuing systems and methods important to assess the economic benefits and the economic impact of investments. But they had some limits insofar as economic valuing methods were not capable to grasp the value of conservation of cultural heritage in that complex and dynamic reality. Therefore, the forum and the seminar and the workshop was an attempt to construct a global conceptual framework to understand, appreciate, and assess the social importance of cultural heritage conservation; and to study comprehensive assessment methodologies beyond economics.

The reason was that we need, in a process of social cultural economical changes where different stakeholders have different conflicting interests, to reach authoritative and right information to make the right responsible decisions and to be effective in the long-term policies of sustainable development. Such information is not limited only, or needed only, for decisionmakers but also for investors, society members, the public opinion, and so on.

In order to achieve these objectives, the forum seminar and workshop tried to identify the cultural heritage values which contribute to a better quality of life and identify these models:

- Cultural heritage conservation is not an isolated issue, but integrated in social cultural development policies and strategies.
- We need to understand, in the process of change, the motives and mechanisms for priority setting and decisionmaking.
- Economic valuing is an important first aspect to convince ministries and other stakeholders
to invest in cultural heritage, but that has its limits and some risks.

- Valuing heritage should be done on a broader definition of benefits than economic cost-benefit analysis only and, apart from quantitative monetary measurements, qualitative and multi-criteria methods for assessment existing in other fields should be applied.
- Valuing methods should be multidisciplinary and form a teamwork as a consequence of the multifaceted reality of social cultural changes and development schemes.
- Such valuing methods should be based on a complementary approach between top-down initiatives by governments and specialists and bottom-up initiatives involving participation of the local population, responsibility, and education.
- Valuing methods should avoid to impose to societies' external values and appraisal systems but should be sensitive to the different cultural context and the values shared by members of this communities.

We made an attempt to list several complementary methodologies — econometric methods, methods to value the social impact of heritage conservation, social cohesion, social stability, psychometric assessment models, environmental impact assessment models, peer-review models, pick description methods in which values in a specific cultural context are being understood, and community response evaluation methods. We considered all these as just initial elements to form together a mosaic and that all these need to be fine-tuned, to be refined and to be applied in cultural heritage.

And, that inter-relations between these different methodologies should be developed and that in the future, an interdisciplinary team should elaborate this and test these methodologies in specific test cases.

Vijayendra Rao
Development Research Group
The World Bank

CULTURAL ECONOMICS, IDENTITY AND POVERTY REDUCTION (GROUP 3)

Our group was really trying to focus on those aspects of culture that matter for poverty reduction primarily. It was a group consisting of some distinguished economists and anthropologists who work in culture-related areas and people who have been thinking about how to implement culture projects operationally, both in and outside the World Bank. We focused on two aspects during the day — looking at Bank operations and developing a research agenda that is operationally relevant and that has some implications of how the Bank should incorporate a "cultural lens" into the way it does its business, into its analytical framework. As we all know, the analytical framework at the Bank currently is completely economic, which is necessary because the World Bank is after all a bank. But, how do we then use a cultural perspective, a cultural lens and merge it with that economic perspective in order to make the World Bank's operations more effective?

I think, there was common themes: First, culture is not backward looking. It was not just about heritage. Second, culture is aspirational, as well as instrumental, and it improves the quality of life. I think we all agree on this. The question is how do we then operationalize it? As I said earlier, the Bank is a bank. I think this theme came up over and over again. That it makes loans, it expects a return on those loans. It is not like some other organizations, a giver of free money really. So, the question is how does taking culture seriously sort of come into contradiction with the Bank's role as a bank? When you think about it, it's a win-win situation. If you take culture seriously, we take how people behave seriously; we're able to develop more effective programs by taking those things seriously. Then, the Bank is going to make loans that have a higher rate of return. This would be a better bank and a process of also making people's lives better.

The operational agenda focused several aspects including the idea of participation. If the Bank is going to truly listen to the voices of the poor, then the voices of the poor should be part
of the way the Bank does its business. And what
our clients need, what our clients seek should be
built into the kinds of projects that are con-
structed. The designers of a project need to listen
to those for whom the project is being targeted at.
You get more information in the way you design
the project. This makes for better projects, period.

Now, that raises a number of questions.
Whose voice are you going to hear? When you
talk about participation, it's not a panacea, al-
though there are many issues of participation
that cultural lens can help us understand. Whose
voice do we hear? How do you hear that voice?
How can you be inclusive in the process of get-
ing that voice heard? And again, here, cultural
analysis is very helpful because what it allows
you to do is to understand those structures of ex-
clusion and inclusion and the way in which peo-
ple perceive themselves and the way they behave
to formulate an information gathering process
that is inclusive and promotes better policies.

Now, participation has many other aspects.
What participation also does is that it turns local
knowledge into cultural industries. In other
words, the idea is how we can use local knowl-
edge in a way that has an economic return? And
one manner of doing that is to employ technolo-
gies that are now such widely available and inex-
pensive to connect local lives to the global
process. Globalization is a central theme that ran
through our discussion.

To summarize, there are some complex dis-
cussions, so forgive me if I do not represent their
complexity. When we think about globalization,
it's not clear what cultural impact globalization is
having. Is it a process of homogenization or a
process of, what was the word, hetrogenization?
And it's not clear how that all works. Therefore
it's central that the Bank take culture seriously
when thinking about these processes.

There are aspects of culture of built heritage
that are quite easy to understand from an eco-
nomics perspective. Built heritage is in many
ways a public good. It's like a public works pro-
gram. It generates a clear economic return and,
therefore, it's quite easy to understand. What is
much more difficult is to do poverty analysis that
is culturally sensitive. And that's where the inter-
disciplinary agenda is crucial. Economists have
to work with anthropologists and sociologists, in
order to develop new and complex ways of look-
ing at the world.

We have to understand the culture of the
World Bank itself. The World Bank can no longer
be in the habit of sending in folks—who are not
aware of the cultural complexities of the coun-
tries they're dealing with because they are young,
because they are arrogant, because they
are simply ignorant—and have them prescribe
policies that they don't quite understand the cul-
tural implications of. How do we sensitize the
Bank to these things? Can there be such a thing as
best practice? Can we be sure of best practice
when it differs from country to country, from
culture to culture? Can we adjust one model for
everybody or do we have to be sensitive to how
structural adjustment impacts people at the local
level? This again requires a cultural lens.

The brief message here was interdisciplinary
and multidisciplinarity work is extremely impor-
tant. Because you can't just use one disciplinary
culture to understand the impact of the Bank's
operations. It has to be worked together. The dif-
ferent social sciences have to work together to
understand this. And if they do work together
and bring culture into the central work of the
Bank for poverty alleviation, we will not only be
a better Bank in the sense of generating high re-
turn for projects, but at the same time, do better
development.
Claude Poliart  
European Commission

MUSEUMS: CONSERVATION AND MANAGEMENT OF CULTURAL HERITAGE (GROUP 8)

The Museum is one of the few major functions and institutions of modern society to be distinguished by fairly recent origins and by a much discussed future. In the opinion of our group, it represents fundamental crossroads in the economy of cultural heritage: Because it conserves and makes accessible most of our movable cultural heritage; because it supplies significant part of real culture services to the public; because it also plays a central role in virtual access to cultural heritage through the telematic networks; and finally, because it provides the gateway to the territory for cultural tourism.

Our discussions focused on five areas that we consider most relevant to the task of clarifying the problems and outlining the development trends of museums today. The first area was dedicated to museums and their territory. It concerns, in fact, the indissoluble bonds between the objects in the museums and their original historically and environmental context. The second area covers the museum networks. In fact, it concerns the impact that the information society is having on access to cultural heritage. The third area covers conservation and communication. The principle governing the conservation of unique and highly perishable objects on the one hand, and mass access to them on the other end, are essentially contradictory. This third area concerns the possibility of overcoming these contradictions. The fourth area covers the museum’s educational and social functions. And the fifth area covers the administration of museums and the relationships between public and private bodies.

The working group was composed of experts and representatives from cultural, academic, professional, institutional and the business worlds, with the first and in-depth knowledge of the problems and current trends involving the areas concerned. At the end of our debate, we arrived at three main recommendations. The first one concerns information society technology. The information society technology is evolving fast and is offering a lot of technologies that can provide new opportunities to developing countries to valorize their territorial cultural heritage. The second covers the local cultural heritage. It can also help to increase the economic values of touristic activities. The third recommendation is about education. Education in developing countries can benefit from the use of the new information society technologies to access cultural heritage. The most important problem to solve is to adopt the way of accessing and retrieving the cultural heritage to the cultural identity of the user.

And finally, we proposed a project. In fact, the project we proposed will aim to make available models and tools like hypermuseum, as supported by the European Union. The hypermuseum aims to support, develop, and support services centers that will allow, bi-directional exchange between culture and content provider, like museums and the world education community.
Kim Veltman  
*Maastricht McLuhan Institute*

**Sustainable Development in Communication and Education: Pilot Projects and Case Studies (Group 11)**

Why are we here? Because culture is important, it is essential for development. There’s no skilled labor supply, if people are not aware of their culture. There will not only be constraints for cultural heritage programs, there’ll be no one to maintain the culture. The culture will fall in ruins and then there’ll be no tourists who come, there’ll be nothing to keep. So, a pilot’s approaches must go beyond this vicious circle.

Our group had some fascinating experts who told us wonderful facts. John Gates from SUN reminded us that within one day, 4,000 schools in California and 50,000 schools in the United States were actually wired. We were told of a project from Bosnia, working together with Canada and the United Kingdom and other countries. GIS and remote systems, a sensing systems were being integrated. Val Herman told us that technology is not the issue. Companies like Junti showed us examples of merging technologies. We were told that business supply is greater than the demand. That we need products that developing countries want. We were reminded that, in fact, we have to keep an eye to the future. If you look at Universal Mobile Telephone Systems within two years, we will be able to have a satellite connection anywhere in the world. Gadgets this size will be able to be bought now for a US$179 and within five years for US$25. Within twenty years, an object this size will be 100-million times more powerful than a Pentium today.

These are all realities. The pilot projects must have a mix of methodologies of skill sets, must be Internet-based. They must not be merely about the rich in culture, but must include oral culture, performance culture, and even illiterate culture. They must include all the stakeholders, they must include the local as well as the global. And they must not only be between the developed and the underdeveloped, but between all levels.

What we need is a framework. There is a Medici framework which is grown out of the European Commission’s Memorandum of Understanding for access to Europe’s cultural heritage. On one hand, we have practice, a secretariat in Milan that has special interest groups. We have competent centers and points of presence. On the other hand, at the theory level, we have core centers of excellence which are focusing on the problem of interoperability of content, policy issues, new kinds of multimedia, MAAs and PhDs. Then, we have training centers and creativity centers.

At the import side, we have networks of museums at libraries and archives. And at the output side, we’re going to have school nets, film and television networks, and other cultural networks.

But to make all these work, we can’t just talk about interoperability. We have to talk about interoperability of contents and we need to have interoperability of content labs where these things actually get shown. And these will evolve into a demo rooms and finally, into a new kind of virtual museum.

What’s very interesting is that in the past, we had local efforts, we had people at the national level doing things. In Canada, for example where I grew up, we had the Canadian Heritage Information Network 27 years ago. And at the international level, we now have UNESCO, UNDP, the World Bank. We have to be globally aware of what’s happening locally and we have to somehow create a network that will link these local efforts.

What would these pilot projects do? Two things. One we have to share our theoretical knowledge. And that is our technical knowledge, things like our information about conservation such as the Conservation Information Network that the Getty established and has grown out of the Canadian Conservation Institute. We must share technical standards, our technical solutions, and the best examples from all over the world.

We also have to share training. That includes software courses and educational packages. We have to work together with educational groups because it’s not just the cultural side, it’s the education side and the training side. We need a hands-on transfer of skills and therefore we need to train the trainers. We need exchange programs for practitioners not only among the European countries but also all around the world. And part of that is to train the specialists and the second part is we have to also train awareness for the
masses. We have to learn to see the objects in context to the new way. And, part of that means an integration so that I don't just see the object in the museum, but I see where it came from—in the theater or in the church and all the places it went in between. We talked about private solutions, we also have to remember that part of all of these is about the public good. It was taxpayers' money that got things into our museums and they built all these things. And so partly, we've got to find a solution between all of these. This does not summarize all the wonderful things that were said in my section and I apologize that I didn't get it all in. This is an intuitive sense of some of the main lines.

Andrew McIlroy
Bondardo Comunicazione, Milan

CULTURE AND PRIVATE SECTOR SUPPORT
(GROUP 10)

Everybody in the session agreed with two things that were said yesterday—that cultural empowerment is now going to be a prerequisite for economic empowerment and that the old development model, which is antidiversity, is not going to work in the new environment. However, these two statements fall down in front of the day-to-day work that the international business associations have to do with their business members. Why do they fall down? They fall down slightly because they still rely on a form of rhetoric that the business community has not yet become fully comfortable with.

A lot of our session was spent trying to move away from the important rhetoric, that is motivating and encouraging, and move toward a set of simple, easily defined models that the business community in general can believe in and can work with. What we're talking about in fact is an intellectual framework for business sector support for cultural development. The role of the World Bank, UNESCO, and multilateral agencies is absolutely essential in the development of such an intellectual framework. What could that intellectual framework cover? We have attempted to define one or two of these areas that we think should be looked at more closely in the future.

Four kinds of intellectual arguments need to be defined for the business world. The first one is the development-led model. What is the role of art and culture in development questions that are currently facing the developing world? A lot of the people in this room will have examples of where cultural projects have contributed directly to development goals. But there is not as yet a clear series of examples and language that we can bring to the business community to say, "look, we can actually prove that art and culture, even inside the most poverty-stricken environment, have a relevance". We saw today in our session examples of the market theater laboratory in Johannesburg, dealing with health issues. We need to be able to define a simple straightforward development-led model for culture that we can be convincing with the business society.

The second argument we need moves on from that. We need to start developing some arguments
for the cohesive civil society model. Inside this room, and among policymakers in the area, the civil society is an understood and accepted term. Within the business community, civil society is still somewhat of a new term. The parameters of that activity are not fully understood. One of our speakers today was Nedcor Bank in South Africa. And they said, “South Africa is engaged in nation building. The President’s trust for art and culture is committed to the development of the intellectual and social capital of South Africa.” I have to say, a statement of that sophistication is relatively rare from the business community who tend to look more immediately at short-term, bottom-line returns. We do know that there are examples in the cultural world of the relationship between arts and culture at the civil society. We need to extract some of them and present them in language that is meaningful for the business community. So, we have a development-led model; we have a civil society model.

Finally, we came to something which we are relatively comfortable—the market-led model. Of course, we need to be able to say to major corporations that there is a short-term marketing interest in you supporting the arts. And that of course is the element of art and culture with which most of us in western Europe are reasonably comfortable. It’s the possibility of “sponsorship” and it is really the only word that we can use. We have to be able to say that sponsorship of the arts is a narrow vision of the role of culture within the developmental framework. And if we can get business to work back from the beginning, development-led civil society, then, the opportunities for market-led support for art and culture will come through.

It used to be said that the trader came out of the gunboat. Increasingly, the trader now comes out as a dancer or the actor. And culture diplomacy should not be ignored also to the degree that it brings out forms of cultural expression and to contact with cultural expression from the developing world.

The fourth argument we need is the most complicated. And it is the argument of the knowledge economy and society. We need to say to business “think what you are losing”. Think what we are losing when we lose cultural diversity. The difficulty is that over the past 20 years, the environmental sector has developed terms and language, such as biodiversity, which people now accept and understand. But there is still not an immediate gut reaction to the term, cultural diversity. The reason why it is useful to have that gut reaction is because the business community reacts quickly. If you don’t get the message across quickly, it is rare to find a business that will stay with you long enough for you to develop your argument more fully. If we can work out clear and simple messages about cultural diversity for the business community, we will find businesses that will be generally interested in getting involved.

So, what do we need now? We need case study materials. The associations, whether they are working in South Africa or they are working in Lebanon or in Central and Eastern Europe, are at the moment working inside one conception about culture. And we needed many examples as possible of art and culture within the development-led model. If we can have those examples, if we can start turning the picture around a little bit so we can represent the models to the business community, I think that the business community will learn with us and we will learn a new language. Who is going to provide case studies? Who is going to bring together the players that have the experience?

To this we come back to the issue of organizations like the World Bank and UNESCO. The business community actually reacts well to a policy led by genuinely multilateral organizations. The World Bank and these multilateral agencies are working on this issue. At the time those endorsements, and it is not simply an endorsement at an intellectual level, it is an endorsement at the practical level of meeting people, talking about the work they are working, and putting that information into an easy, digestible form.

We came out with one little proposal at the end. We are going to try and identify four or five projects, and write up case study material where we see cultural-led development. We are going to try and see if we could turn those projects around so that they have short-, medium-, and long-term interest of the business community.
Sara Meneses, 
Director, Office of Cultural Affairs 
Organization of American States

ARCHIVES AND SUSTAINABLE DEVELOPMENT 
(GROUP 16)

Several points arise from the discussions held today that address the important relationship existing between archives and development, and their inherent and vital link with topics such as 1) defense of human rights, 2) defense of citizens’ rights, 3) better governance, 4) fight against corruption, 5) transparency and accountability, and 6) reinforcement of national identity. In our discussions, emphasis was placed on taking into account the need to preserve archives as an integral part of our cultural heritage and identity, and to make them at the same time accessible to the community to bring them alive and make them tangible.

Knowing the location of the documents, the conditions they are in order to be able to restore and preserve these valuable historical records as well as to make them accessible are some of the main challenges facing us today. Obtaining positive results in these areas may lead to an increase in cultural tourism, development of cultural enterprise and the promotion of our cultural heritage.

In essence, when we talk about archives, we must reflect on the idea that it is “worthy to preserve the past for the future,” but we must also be aware that “time is our cruelest enemy.”

Several specific topics addressing advances in the areas of preservation and accessibility were highlighted and discussed: 1) recognition was made of the efforts underway in the World Bank and the Organization of American States (OAS) to create a forum for international dialogue and they were urged to continue this course of action, 2) emphasis was placed on the important contributions that foundations, entities and organizations are making in the fields of preservation, conservation and dissemination of archives and documents, as well as on the importance of continuing in this line of action, and 3) particular emphasis was made concerning the role that governments and the civil society must play in this process, in particular, in the training of human resources and the incorporation and updating of technology.

In order to further advance the subject of the role of archives in development, the World Bank Information Solutions Group will start two new projects in collaboration with the Environmentally and Socially Sustainable Development Unit for Latin America and the World Bank Institute. These will include the participation of partners such as National Archives in client countries, the Organization of American States, ICA, ICCROM, and IRMT. The first project, related to the opening of the Archives of the Bank to the public, is titled “Archives of Development.” The objective of this project is to use the Internet to link the catalogue of the Bank archives with a number of development organizations and member countries, and, therefore, provide seamless global access to their own staff, their clients and partners, as well as the public at large. The second project—“Learning Program on Archives and Records Management in Culture and Development”—is a pilot program for Latin America with the purpose of raising awareness and building capacity in two closely related areas: archives preservation and records management. It will focus on the implications of good management of archives and records for economic and social development: the preservation of cultural heritage and the protection of citizens’ rights on the one hand, and increased transparency, accountability and good governance on the other. In essence, all the aforementioned ingredients are part of the fundamentals of democracy. This project will be carried out through the World Bank web site, distance learning modules and other materials.

The Organization of American States has worked and will continue to work in partnership with the World Bank and other organizations in preparing the human capital for archive work. In this sense we are prepared to continue a tradition that began when Professor Tanodi, of Argentina, as the head of the Inter-American Center of Archivists funded by the OAS, trained most of the modern-day archivist in Latin America. The World Bank and the Office of Cultural Affairs of the Organization of American States, have been organizing national round tables on archives in Argentina, Colombia, Brazil and Uruguay. These round tables address, inter alia, the needs assessment developed through the studies undertaken by the Fundación Histórica Tavera in most of the countries in Latin America. The OAS has also supported and financed specific projects in the field of archive development, which include the
following: the translation into Spanish of documentation and training modules developed by the International Records Management Trust for the International Council of Archives, that will improve the management of archives and documents, scholarships and internships for archivists and training courses led by ICCROM in scientific techniques for the preservation of archives. Archive project proposals are presently under review at the OAS as part of the modest funding that the OAS has available at this juncture in time.

Other important program developments in this field at the international level merited specific mention, including those carried out by the Government of Spain called Development of Ibero-American Archives, by ICCROM, Fundación Histórica Tavera, the Italo-Latin American Institute, the Open Society Archives.

We can conclude that the goals of strengthening the preservation, enhancement and accessibility of archives, as well as their incorporation as an important element of development, cannot be achieved without the partnership of dedicated people working in institutions, governments, national entities, and international and regional organizations, the civil society, and the private sector. It is encouraging to take note that in the proceedings of the Working Group, some institutions and foundations have already offered their support. If we have created amongst ourselves an awareness of the role of the importance of archives for the future of humankind, then we reached, at least in a small part our goal.”

For further information and to receive the proceedings of the Working Group and the Address Book of the participants, please contact Elisa Liberatori-Prati, Project Officer, Archives and Sustainable Development Program, Information Solutions Group, Information and Knowledge Sharing Services, The World Bank, 1818 H Street, NW, Washington DC, 20433, USA, tel. (202) 458-1552, fax (202) 522-3263, elibratoriprati@worldbank.org

Jillian Yambura
African Publishers’ Network
Harare, Zimbabwe

SUPPORTING CULTURAL ENTERPRISES FOR LOCAL DEVELOPMENT (GROUP 15)

We looked at some of the challenges facing the cultural industry in Africa primarily. And some of the things we thought that we are facing have to do with our search for cultural stewardship. We would like to see ourselves having more confidence in our cultures and having a change of attitude toward what is culturally ours. We also felt the need to seek recognition for our culture and to have them valued properly. We felt that culture should not be defined or compartmentalized. Culture was defined at some point as being the totality of our being. We felt that we are challenged by the choices we have to make, the choices between culture expanding in rural areas and the urban areas, and between the choice for economic benefit and profit as opposed to cultural practices that may fulfill our cultural aspirations.

We also identified the need for continuity and synergy between generations, the past and the present. And we felt that the people in Africa could benefit from a great synergy where they are found all over the globe. We see that this has been very important for our self-expression and for our finding a voice in the global arena. And in this way, we can appreciate our own uniqueness starting at home and starting also at a global workplace. And also in this way, we could also see a shift in balance of power between the south and the north. So far, we see today increasing migration of peoples of the south to the north. We would like to see a concentration more of ourselves in the south, working on our own cultures.

We felt that there was a challenge in the current situation where our policy shift on African culture and African history, is currently claimed not by Africans. We felt that this is a big challenge that we need to address and we saw the need to globalize what is local to African culture and also localize what is global in our culture.

We did see that there is need to structure the intellectual authority within Africa and abroad that is addressing African culture and the need for visionary thinking in African culture. And we do see a burning need for institutions that can sustain and give voice and effect to our cultures at home and abroad.
Some of the endemic problems faced by culture and sustainable development were identified as the following. We currently lack a theoretical framework to address culture. We have no quantitative indicators to value culture. We are challenged by the overused clichés that we heard before. We need and seek new definitions for donor-recipient relationships. We would like to know how good governance is defined and by whom. And what is development and who has defined this development? Is there space for new definitions of these? We also saw that defining terms like poverty, for instance, depend on context. Poverty can be material poverty, economic poverty, but we are aware of other forms of poverty—the ritual poverty, lack of humaneness and understanding, and lack of tolerance.

We also saw a risk in too much commoditization of culture and the phenomenon of aesthetic beauty being sacrificed for mass production. We recall the problems faced at home on the continent of political authoritarianism. We identified culture dependency as a big problem. We also looked at economic deprivation as taking away our creativity. We felt that we are challenged by development agenda, which is driven by market fundamentals. We feel that the government, the private sector, and civil society are now overwhelmed by the economic pursuits and sacrifice culture in this way.

We recognized the barriers that we continue to face—barriers of language, of geography, of isolation—and feel that there is a need to redefine our spaces and our partnerships. We also compared notes and felt that, if in Africa the arts were given support by government, we perhaps would not be here today discussing the commercialization of our culture. We recalled that arts are given public support in the north, but this is not the situation in the south.

The solutions that we identified as addressing these problems included the real need to document successful case studies of how culture can be the ends and means to successful projects. We probably need to document all traditions and those that are disappearing knowledge and know-how. We also felt the need to develop inventories of coordinating bodies and databases of cultural access. We looked how training is a solution to some of the problems faced. And here we felt that the need is not just for any ordinary type of training, but training that starts by valuing what is cultural, what is spiritual. This leads to technical skills and notably to market development. We saw this as long term, but training should not be taken as an immediate panacea.

We looked too at the need for strategy to integrate other disciplines in culture, and one example that was given is engineering principles and how they can be used in new studies on culture. We felt the need for new platforms for our voices to be heard. And this could be found in new cultural markets and in the revival of old festivals. We saw the need also for pluralism. We need to explore alternatives on the continent in response to our context and not to always absorb the prototypes that are used all over the world, and may be culturally inappropriate.

We reemphasized the need for partnerships, for the need for networking, for information sharing, for expertise sharing, and for the reinforcement of friendships. We felt the need for new innovations, such as the introduction of reggae studies in the Caribbean and many types of culture tourism that are being explored. We reemphasized the need for research on cultural entrepreneurship, and ways of turning our comparative advantage to competitive advantage. We felt the need to research and find mechanisms to protect the integrity of our culture while commercializing it, and the need to find framework for cultural development and cultural leadership.

We had suggested projects that have to do with funds for cultural projects, new types of texts that are coauthored and copublished for the promotion of some of our African languages as *lingua franca* to bring down the barriers, for creative use of the media to raise awareness of culture among policymakers, professionals and the public. We reemphasized the need for collective responsibility, collective liberation, and collective destiny, and collective dialogue and networking as a way of addressing the challenges we face in our cultures.

Finally, there were some recommendations made with recognition of the World Bank's new interest in culture, including making a percentage of the loans given to developing countries for the benefit of cultural projects. There is a need for the Bank to develop some cultural impact assessment indices and to promote learning and support to innovation in cultural theory and practice. This includes support to cultural institutions themselves, support to human and capacity building, and less of an emphasis on content and product and more of an emphasis on new thinking and on new knowledge generation.
Touring Club of Italy

CULTURAL TOURISM AND DEVELOPMENT
(GROUP 17)

The group essentially focused on three points: What is the nature of cultural tourism and how this can be turned into a development factor and community development? How to link cultural tourism to heritage conservation and preservation? And how to use cultural tourism as a tool for development? We engaged in writing a note that will be transmitted to the Bank shortly.

We tried to do this difficult journey by looking at case studies. We analyzed the World Bank project in Tunisia, which is a project for globalization of historic site and which has an interesting characteristic of trying to diffuse to an extent that that territorial area benefited usually are concentrated only on the superstars of cultural tourism. Then we looked into Bolivia, the archaeological project of Inter American Development Bank. Again, a project that was originally thought just for the development of the archaeological site and was turning into an integrated social development project, an interesting transition of the project-making process. We looked at another World Bank project, a cultural heritage component of the infrastructure project for Bali, which is probably the most comprehensive and far-looking project that the World Bank has launched so far and a complex interaction with local society. We had a short view of what the Bank is doing in the Eastern Europe and Central Asia region. And then we finally looked into some Italian case studies, especially small centers and their development strategies. These were not Bank projects.

We agreed on the following points. Cultural tourism can be an important tool for development but could be also a disruptive force. The market forces that are behind cultural tourism are very powerful and they could be very negative for many places in the world. Regarding the link of cultural tourism project with the local community, it has been said that it won’t be a reality if you don’t create connection with the local community. You don’t create value, you don’t create employment, you don’t create economic benefits. Another point is to generate projects that integrate cultural tourism targets with social and infrastructure targets. Very often, a road or a social organization can be used for both and will be much more productive for both if it is connected. Therefore, a high degree of institutional building and coordination between the actors is needed. Also we all agreed with the point that in cultural tourism project we should not look only at the physical side but also at the living culture because very often, it can enrich and produce more value than physical involvement.

Finally, we looked briefly into the new charter of ICOMOS which will be discussed in Mexico two weeks from now. Most of the principles and the ideas that we discussed are reflected in this charter which has been under preparation for over two years. I think that the charter will represent the spirit of many parts of this conference. If you find the time to read it, you will find the interesting and new ideas that reflect sustainable development and local community involvement.
Carlos Fitzgerald
Republic of Panama

SHARING THE WEALTH: IMPROVED SUSTAINABILITY THROUGH INTEGRATED CONSERVATION PLANNING (GROUP 6)

In our session, we discussed the efforts of the World Monument Fund, together with the private sector, specifically the partnership with the American Express Company, to support the conservation of cultural heritage sites in danger.

We presented two case studies of endangered world heritage sites—first, the cultural landscape of Cinquatterre National Park in Liguria, Italia, and the Spanish colonial forts of San Lorenzo and Portobello in the Caribbean coast of Panama, Central America. The idea was to explore the possibility of generating a novel of actions to be implemented in sites for natural and cultural resources which are intertwined. Both cases occur in rather different social, political, and economic contexts. One, it is a first world “European” rural area—the Cinquatterre landscape—and the other, a marginal zone rapidly being incorporated into the mainstream of a developing country, that is the Panamanian forts. Yet, in both instances, we found that the social actors are key to conservation. There is an urgent need to research and recover traditional ways of life and traditional modes of production in order to ensure that conservation continues.

Thus, the overlap between national and cultural conservation issues need to be articulated through the participation of local populations within a dynamic cultural scape and a changing and ever-challenging economic realities. Control of mass tourism and the utilization of analytical tools, like geographical information systems, appear to be complements to the emergency—first aid actions that are necessary to mitigate the rapid deterioration of cultural and natural landscapes.

CATHEDRALS FOR ENVIRONMENT: FINANCING CULTURE AND NATURE FOR GENERATION TO COME (GROUP 2)

Our group dealt with values and with systems. We had a strange title, “Cathedrals for Environment,” and this was a value part. Maybe some of you were at the cathedral visit here in Florence. What people in the Middle Ages did was invest in cathedrals in this part of the world or, in most cases, other great endeavors of the time in other parts of the world. They built for 160 years in Florence, 500 years in Cologne. People built generation after generation, century after century, something that they knew was important for the collection of the future, for the people of the future. Although they invested their lifetime’s work or some of their tax money as in Florence, that would not be the end of it.

Why do we say Cathedrals for Environment? Because the ritual linkage is essential to see as a nexus between culture and environment, and in fact, culture and development. If we could just get a bit of this spirit back that we think in a timeframe—not of your next administration of four years, in case you are elected—of 100 or 200 years. And we try to contribute to that, then we believe the sustainability could become more real.

Now, who was in the room with this task force? People who can make a difference in terms of the kind of institutions which they represent. We have those who work in multilateral or bilateral development agencies, those who represent the civil society organizations and foundations, and of course, of those who represent knowledge.

Now, after this fit of values which is our point of departure, we said, what do we want to achieve? Culture and environment face a very special challenge within the overall development challenge. And that is the challenge of extinction. We deal with values, whether it is a building, its cultural tradition, or its biodiversity, with the thinking that if they go extinct, they are just dead and you will never, ever get them back again. And then we looked at what the price against the extinction requires? Foremost, it requires a sustained effort. While we are extremely grateful for all the advances which have been made in the last decade, there is legislation for the environment and for culture and many of us have designed environmental projects or implemented them, the project is not the full answer. The project is just the beginning of the answer.
Because after the project, after the law, there is a need to sustain efforts over the long term. The stress doesn’t go away by one project; it goes away if you stay alert, if you have a permanent, sustained function of guardianship. So we asked, do we have this right now? And we said no, very often you have a project and after that, you see some backsliding or things just lapsed, and then after a while, you pick the bricks up and you build it again. This is not a good way to keep things from going extinct.

Then we went to the theme of finance, because that was the subtitle of our group—the quest for sustainable finance. How could we get beyond project finance to more sustained finance? And we said, there seems to be many smart ideas. In fact already in application sometimes locally, people contribute on a continuous basis to a cause; or nationally like the famous British lottery that generates revenue continuously as a sort of expectable stream of financial flow to support culture. Or we could think about some new global finance schemes whereby every credit card transaction and every airline ticket operation has just a cent or few cents surcharge. With this revenue, culture would gain support and none of us (consumers or users of the card or of the airline) would even feel it. So, there may be an opportunity today, especially also with all the technology that is around, to generate new types of finance sources and streams of finance.

Of course, to make this attractive to anyone, you would also have to become quite explicit if you generated new funds, be they local, national, or global, for culture and environment, how would they be used and distributed? Our group considered a much lighter system, not the heavy, centralized fund-giving system; but a more cooperative system—Grameen-type system—not given on an individual group basis but on the institutional basis. This is something we want to look in more and we all stressed that we want to do it in a region-specific way because there are different solutions available in different culture environment. And if you want to get sustainable finance for culture and environment, you have to be region-specific at least to a large extent.

Of course, you don’t solve a topic like this in a day. We knew that when we started. And this is why in the outline of our working group, we already said that we want to create something like a task force. This will just be the beginning of a bit of work. In fact, some of us began in previous meetings over the last year. So this is a bit like a big step for which we will have a still untitled task force. Somebody suggested that we begin to talk about the year 3000. So we get the cathedral mentality a bit into our mindset. What we will do over the next two months is look at opportunities for capturing systemic revenue flows for 10-year flows of funds for the future of culture and environment. We will look for ways of cooperative application, transparent systems of institutions that will get together and guard the good performance because they have a collective interest to remain creditworthy. We will look at ways in which the funds, which might become available, will not go to yet another project cycle but primarily to a capitalization of organizations on the ground. Those will be largely civil society organizations, but not necessarily so; in a way you don’t ask the color of the cats as long as the cats use the cultural or environmental mouse. What you want to do is to empower, make stronger not just by way of training, but by way of capital endowment.

The civil society organizations are out there. There are some 5,000 such organizations and they have been counted by name in South America alone. There is a richness out there that needs to be captured. And if it is all work, you might hear from our task force again, because we would then like to go on to promoting some promising looking options and in fact to promote some pilot operations next year.
Eduard Delgado  
INTERARTS  
Barcelona

GROWTH AND CULTURE IN URBAN AND REGIONAL PROXIMITY (GROUP 13)

The program has tried to deal with getting around some of the topics which in the last 10 to 15 years, had dominated thinking regarding culture and local development. That's why in the beginning, we discussed matters concerning the globalization impact on those reflections and we had the chance to meet an important scholar from Bogota, Professor Armando Silva, an expert on what he calls urban imaginaries. We've also been dealing with some of the strategies for urban and regional cultural development policies and we have the help and very brilliant speech by Ellio Satti from the Cultural Heritage Department here from the Tuscany region. Then, we dealt with some other matters on a more workshop like style.

The workshop, first of all, welcomed the strategy paper prepared jointly by UNESCO and the Government of Italy. The paper include the right principles according to the workshop. It seems the paper as such does not refer specifically to cultural development in the local and regional spheres. The workshop has been adding a few notes which we hope will be included in the future revision of this paper.

I must say that the workshop at one point considered suggesting that this conference should not have been called "Culture Counts", but "Culture Pays". But after hearing Mr. Wolfensohn, I perhaps would rename the conference, "Culture Breathes," because it is true that if it is so natural, culture should be included in this natural act of breathing for all of us and for the World Bank.

There was, as I said, an idea of getting beyond the topics which have presided over the perfection on urban and regional development, especially on urban development, urban regeneration, city development, and culture. After 15 years of thinking and talking about that, we realized that some of the expectations have not been quite fulfilled, and that perhaps we should revise the whole theory. There is clearly a need for a new way of understanding, or a new paradigm for the value and impact of local cultures. Local is not necessarily a small global, it is not necessarily a small national. There is a clear difference in the essence of local relations in culture and the way they impact on economy, on employment, on social cohesiveness, and on development. And one of the guiding lines or inspirations for the workshop was to at least consider whether we need this new paradigm where there can be a real bottom up consideration of what local cultural development means.

So the workshop started going through a number of topics which most of you already know: The local sphere as the immediate public sphere of citizens and cultural relations; how it conditions the development climate in a particular society; how TV, radio, and the media are part of the public sphere; and established departments whereby global cultures interact with each other. Also, we have been considering how local cultures, as it has been repeated, need raw material for the world cultural industries.

The work has also dwelt on the importance of introducing cultural criteria toward thinking on development in general, which seems to be in a turning point at the end of the century. There is particular attention placed on the cities, not so much as individual units, but as an active network in the economic and the political, social, and cultural field. The work also has dealt with cultural rights as applied to the local sphere, to the cities and regions; and the role of memory and heritage, how the local memory does not always coincide with the ethics of national or international memory. Cities are no longer monocultural and the experience of urban diversity is at the core of new patterns of participation and configuration of cities in the future. The structure of cities has also been examined from the urban planning viewpoint. There is sometimes difficulty in telling the difference between cities and neighborhoods, cities and metropolis, cities and regions. Also, there has been a strong emphasis on this local environment as a laboratory for the future in all aspects, including culture and, of course, the guiding inspiration for socializing results in society.

So, having done this which most of you are familiar with, how are we planning new ways of looking at the problem? First of all, it is clear that in terms of recommendations, the workshop clearly states that the cultural criteria should be really included in any developmental policies. So, again, congratulations on the work by the World Bank. Second, establish culture-oriented programs on the agenda of interlocal and interregional authorities. A few months ago, there was
a meeting of the International Union of Local Authorities (IULA). Over 4,000 people met and the program lasted for three days, but there was not a single item on culture.

Also, empowering local authorities all over the world to tackle culture and development problems which can only be solved on the basis of experience and expertise which can be found at local level—empowering local authorities and local civil society. Also, among the recommendations is to foster programs geared toward innovative local and regional policies not only those which deal with heritage and tourism.

Also, there was a suggestion to start a new advocacy process by which society and international players, such as UNESCO and the World Bank, can appreciate the need to focus on the local level where culture and society are indistinguishable.

Before discourse on sponsorship, business interest in the arts and communications skills for arts and media lose some of their steam, it is time to focus again on the experience of local communities. This should be seen in the programs of intergovernmental organizations dealing with culture. The conclusion of the workshop is that associating local cultural development to the capacity of urban and regional communities to establish cooperation leagues with patterns; that is to say problems are identified and solutions should be found, to empower local authorities to be more autonomous in establishing direct connectedness with other local authorities in these projects all over the world. Very often local authorities could do much better if they only could recognize in themselves the capacity to establish connections worldwide.

So there was particular proposal concerning the following. The workshop proposes an actual research project (which UNESCO has already established in the context of favorable decision but which need many more partners) which looks at the creation of a tool kit for urban and regional communities to exercise their local autonomy in the cultural development and cooperation—that is to say, how do local cultural projects link to a responsibility on an area basis, establish cooperation links with partners all over the world? We have seen this in Africa, we have seen this in Latin America, we have seen this in the eastern Mediterranean. Local authorities in their policies—if they play the capacities to the utmost of the potential they have—can establish an incredible step ahead for their programs and for their contribution to local development. We believe that connectedness at the level of urban and regional cultural policies is something which deserves this project of action and research effort which the workshop suggests. We would like also that UNESCO and the World Bank support a conference of mid-term and the final term of the project so that the topic of cultural connectedness and local development can be an element of synthesis of the efforts that should be made to find the new paradigm for the relationship between local development and culture.
Mounir Bouchenaki  
Division of Cultural Heritage and the World Heritage Center, UNESCO

STRATEGIES AND GUIDELINES FOR ARCHITECTURAL HERITAGE: TECHNICAL AND FINANCIAL ASPECTS (GROUP 14)

It is always difficult to speak at the end of such an important gathering and I think that the topic which was the subject of our working group can be placed under urban cities, under environment, under cultural tourism, and many of the very important ideas that have been already developed.

What I would like to say is that this working group has been placed under the chairmanship of the Council of Europe, ICOMOS, and UNESCO, and it was attended by a large number of experts who made a very important contribution based on the analysis of a working document prepared by our colleague, Professor Croci. Some participants also presented in writing their contribution, and I would like to mention the contribution made by Mr. Luxen, General-Secretary of ICOMOS; Jose Maria Ballester, Director of the Department of Cultural Heritage in the Council of Europe, who presented the campaign “Europe: Our Common Heritage;” Mr. Luciano Marchetti; Professor Francesco Gurrieri; Mr. Carlo Blasi; Mr. Solar from the Getty Foundation; and Professor Wensel.

All these colleagues presented in writing their comments for the document which was prepared by Mr. Croci. That means at the end of this seminar, we are having quite an important number of papers that should now be collected and synthesized. We have also the pleasure to have in our working group Mr. Crespo-Toral, Assistant Director General for Culture of UNESCO who is also an architect conservator.

This meeting took note also of a very important document called “Recommendation for the Analysis, Conservation, and Structural Restoration of Architectural Heritage.” And it was agreed at the end that a consolidated document be presented to the international financing institutions such as the World Bank, the governments, and also the private donors in order to discuss the strategy. And the strategy has been discussed at length in order to individuate the priority maps of intervention, including of course the preventive measures. In order to fulfill this task, the following points have been discussed: the evaluation of the actual risk, damage, decay, etc. for the tangible and for the intangible values of the architectural heritage.

The question of the intercultural value was also stressed and the social aspects were discussed at length: Why we conserve, for whom we conserve. The participation of the community was mentioned as an important topic, and finally in the evaluation process, the financial, and the economic aspects and study of the cost-benefit of the project.

In order to develop the strategy, we have to take into account the quality of life, the values which are changing, the diversity of the heritage, the diversity of the context. And it was suggested that each country should develop this process by itself using the criteria for evaluation of risk and also the various values which are intrinsic to the architectural heritage. In any case this will be also useful because it will stimulate a national debate.

Another point was the international support and how it can develop. It can develop by providing the guidelines through experiences accumulated and also by training using the traditional knowledge also as one component of the training. In order to go into the field, to present and prepare experimental project with a multidisciplinary theme and cooperation between the experts coming from abroad and the local experts.

What is the position of the international institutions like the World Bank, the Inter-American Development Bank, and all the financial institutions? The financing of projects in various countries should have priorities and criteria for evaluation and be established jointly with program also of maintenance.

Finally, concerning the guidelines, discussion focused also on the methodologies to individuate the building sites among other interventions, as well as the methodology to intervene on specific building. But all these aspects cannot be built properly if we don’t have the basement which is the legal framework. This is very briefly the main points which have been developed and they will be consolidated, as I said, in a written paper. They will constitute a document to be submitted to the World Bank and to the other financial institutions.
Discussion at this workshop was concentrated on the political and economic actions in developing countries that were carried out by the general directorate for development cooperation, Ministry of Foreign Affairs of Italy. This has shown that Italy has certainly enhanced and spread sensitivity towards problems regarding the safeguards of cultural heritage. In fact, around 60 projects have been affected. These projects aimed to enhance the awareness of the importance and weight of cultural property or resources in a more economic sense; and to foster, directly or indirectly, peace process among different ethnic groups and countries at war.

The purpose of this workshop session showed that we have to stress and emphasize once again the importance of this Italian participation. With this Italian cooperation with developing countries, I think the aims which have been achieved and will be achieved can be summarized as follows: To introduce some guidelines that will help to regulate the ratio between a system of supply and demand of the future. It is a delicate task how to respect the past and how to respond for the actual needs of today and the future.

To demonstrate also the main inter-locators of the Italian cooperation system. In fact all of us noticed that much has been done in many fields, but also we agreed very clearly that more is to be undertaken. The heritage of the developing country is really threatened by many factors. We agreed together that we will go in a concrete action, in concrete steps towards more intensive programs of cooperation in the field of excavation, restoration, formation to save the cultural heritage of the developing country, which is our precious cultural heritage, which is the heritage of the whole humanity.

This Thematic Working Group was sponsored by the World Bank's Culture and Sustainable Development Program. It follows a workshop on Cultural Site Management convened at the Bank in April of this year. Financing sustainable cultural site management is a challenge world-wide. Major cultural sites are threatened by many factors, including inadequate provisions and resources for management.

The question considered in the Working Group was: what can be done to enhance revenue and strengthen financial management capacity as essential elements in cultural site conservation and use? Two words—cost recovery—mentioned at the beginning of the session in relation to investment in cultural heritage, served as a theme for the day's presentations, thought and discussion.

There are two issues: management and resources. On management, there was a very thorough, persuasive paper given by the director of strategic business services at Parks Canada, that The World Bank and national governments should take seriously. This paper outlined the strategic thinking that Parks Canada has done regarding the conservation and management of their cultural heritage, using business practices, systems of accountability and community consultation.

A paper presented by the Deputy Director of the World Heritage Center at UNESCO cautioned that intensive use and high rates of return from a heritage site may result in the diminished value and life of a site and curtailment of its long-term economic value. The equation emphasizes the relationship between management, conservation and continuing benefit. There is a lot to think about in this simple equation.

As an example of new revenue sources from heritage sites, sources that are potentially rich and avoid the strain of physical use, we had a presentation on new developments in the elec-
tronic media, enabling virtual visits to sites and the marketing of information or site-derived educational materials and products. In this regard, it is essential to secure necessary intellectual property rights so as to capture revenue for recycling into site management and conservation. In a discussion of revenues from actual site visitors, we looked at a case study and analysis of fees for museums and heritage sites in Turkey, and discussed the possibilities of dual pricing for foreign and national visitors, as exists at Petra in Jordan.

Angkor provides a clear case study of management by an independent agency with post-colonial methodology at a major World Heritage Site. Clearly, many sites are being re-assessed, both in regard to their size and to their place in the larger human and natural spheres in which they exist. Our understanding of “a heritage site” is undergoing considerable change, with attendant implications for management. The presentation by the director of the vast and complex site of Angkor, effectively illustrated the dimensions of the challenge.

Discussion and debate were animated by one particular point: a model for strategic site management and conservation. Should it derive from the Anglo-Saxon concept of strategic development, or by what was described as the continental European model? The main issue is accountability. It was thought that in many countries, ministries might not be uniformly prepared to serve as overseers of accountability in heritage site management.

The conclusions were, first, that institution building is essential for improved cultural heritage site management and conservation. Institution building at the site level is important too, in terms of developing strategies, devolving initiatives as well as for creativity and accountability. Secondly, there is a need to measure and define culture resources scientifically. Research and conservation capacity are indeed as fundamental for maintaining cultural resources as are good management practices. The final question was: can responsible cultural heritage conservation and management be done with the so-called demon of cost recovery? This is an issue for continuing and serious consideration by a broad spectrum of heritage professionals, investors, management experts and public policy administrators. A recommended next step, following this Working Group, is an international Internet discussion on the topic.

Charles Landry, Comedia United Kingdom

CULTURAL POLICY AND SUSTAINABLE DEVELOPMENT, A NEW PARTNERSHIP (GROUP 9)

I first want to talk about the seminar hosted yesterday by the Canadian Heritage Department and the Council of Europe which was essentially about what cultural policy will be like in the 21st century. The key focus was on the role of the public-private sectors. Now, that might seem slightly boring, but given that there were about 120 people in the room, the discussion was rich with examples of different techniques and ways of supporting culture.

We concluded on three things: first, we needed to make an assessment of the landscape of laws and regulations and incentives that exists, cascading from the international downwards to see whether, on the basis of an assessment, whether actually we feel they’re supporting and encouraging cultural development. Second, to review the possible rules and incentives in new forms of finance that either exists in various places or we know could exist in parallel areas; and in a sense, to draw conclusions and come up with options and pros and cons of different forms of incentives and rules. And third, to summarize these interesting and good practices in a clear, simply written form—let’s call it a toolkit—that clarifies the fog that normally happens when one thinks about the five ways of running a museum, the six ways of running a sponsorship organization, and so on. Those were the three things we thought we should do.

And, fortunately, there were a number of international regional and world organizations that agreed to take this forward in a number of ways: UNESCO, the World Bank, the Council of Europe. And the Council of Europe is willing to take an initial lead to join forces with the partners in order to take this forward, to actually produce something that’s practical and useful and has a tangible outcome. And we hope to actually deliver that sooner rather than later; let’s say, in a year’s time. So there’s a tangible result for everyone.

Today’s workshop switched totally, was something different. It was hosted by the Council of Europe. We talked about “the art of regeneration initiative” which is focused in southeastern
Europe. The seven countries that have a bit of problem recently, have been battling it out in one way or another where culture has been a, let’s say, negative force, and to see whether we can turn that around into a positive force. And the idea is quite simple: create a series of grassroots-inspired city development strategies and visions in a series of medium-size cities in Bosnia Herzegovina, Croatia, Slovenia, Macedonia, Bulgaria, Romania, Albania, and Kosovo. And, fortunately, the ministers from practically each of those countries—seven ministers of culture—were part of the working group. And that was obviously a key thing.

Now the basic objective of this project is to show that a culturally inspired approach can be a trigger for regeneration, by showing a respect for distinctiveness and uniqueness in all this history and in all the complexities of that. And in that way, contribute to economic regeneration, poverty alleviation, urban renewal, and social cohesion. But at the heart of this project is a simple thing: everything should be part of a peace-building reconciliation effort. So, these cities we have chosen are all cities which have mix populations. And what this might mean depends on circumstance. In one instance it might mean simply rebuilding a building that is symbolic for both parties. In another instance, it might mean rethinking the libraries and museums program to actually reflect, let’s say, more about skills enhancement, more about intercultural understanding or whatever. And there are lots of positive examples we know from around the world—incubator units in Palestine and Israel where both parties worked together; and the same in Northern Ireland. So, the key idea is joint working, becoming better off. And by becoming better off, to have better understanding of each other.

So, after these cities’ potentials and opportunities have been identified and costs established, the key parties convene to resource these projects and provide mechanisms for tangible results. In the process, we believe that the image of these places and regions will be helped by change. Furthermore, the idea is to create a learning network between these cities worthy of replication.

The art of regeneration has been discussed quite widely within the World Bank and the Council of Europe. And there has already been positive feedback. There is a natural synergy between the two organizations, ironically. Council of Europe is a bit smaller, but it does things that the Bank can’t do. It has money for preparation. It has money for exploring ideas. It has money for the beginnings of projects. Precisely the sort of money the World Bank doesn’t have to those sorts of things. The Council of Europe doesn’t have money for implementation. And for the Bank, it’s the reverse. So, there is this sort of natural fit that we can see. This project can achieve multiple outcomes. It can improve the multifaceted value of using culture for development. So, in terms of the Bank’s objectives, it deals with economic development and wealth creation. In terms of the Council of Europe’s objectives, it deals with human rights, tolerance, diversity, and questions like that.

The working groups concluded the following with the help of our ministerial friends: First, this is a potential landmark project that provides a real opportunity to show that cultural development in action can have an impact. Second, it will be incredibly difficult and have to be taken step by step. It’s going to be painful and that we shouldn’t be naive about it. But, nevertheless, we’ve got the energy and the commitment to go ahead. Third, there was an endorsement by those ministers on behalf of their governments to move ahead. They nominated five cities as a starting point. The next step is basically that the Council of Europe goes back to its own body of 43 nations to seek endorsement next week, and then we’ll discuss with the Bank the final detail. So, what we hope is that the persuasive power of the example become a real strategy.
Bonnie Burnham  
President, World Monuments Fund

THE PROMISE OF THE WORK IN PROGRESS:  
A SUMMATION OVERVIEW OF THE THEMATIC  
WORKING GROUPS ENDEAVORS

This gathering of representatives from all  
corners of the cultural world, and all cor-  
ners of the earth, has been above all an op-  
portunity for deeper reflection on the meaning of  
culture itself than is usually possible at profes-  
sional gatherings. A search for a definition of what  
culture is, and its impact on people's lives at every  
stage and at every level of society, has permeated  
and indeed been the theme of our discussions.

Material heritage, indigenous traditions, the  
creative process itself, a living expression of peo-  
ples today, the basis of an educational message,  
the cornerstone of society and democracy, an as-  
set to attract economic activity: these are some of  
the roles culture plays in society, and some of the  
lenses through which the group examined cul-  
ture in its relationship to sustainable economic  
growth.

We all know that culture has multiple forms of  
value. The body social believes this, and wants  
continuity in the expression and practice of its  
culture. We need to restore balance to the de-  
velopment process in order to assure this continuity.

Participants spoke of the traditionally pro-  
found relationship between the inner values of  
man and his shaping of the environment: man's  
inner cosmos of beliefs as a manifestation of the  
natural world, and his management of the phys-  
ical world as an embodiment of inner beliefs.  
This relationship has been destroyed in the pro-  
cess of post-war development. The need to re-  
trieve it as the fundamental balancing factor in  
the way we live was reiterated by many speakers.

The World Bank apparently both agrees and  
disagrees with this premise. A two-year process  
of dialogue has brought us to a point where most  
professionals in the cultural sector agree that the  
World Bank has an important role to play in as-  
suring that the key features of the cultural envi-  
roron will be preserved throughout the  
development process. The Bank's own posi-  
tion—initially encouraging developing countries  
to present projects devoted exclusively to the  
reservation of cultural resources and their use  
as economic building blocks—has now been  
modified. By its current definition, the World  
Bank will finance cultural projects when such  
projects fit within the framework of its traditional  
areas of economic development activity and meet  
the Bank's normal lending criteria. Although the  
Bank will try to be more sensitive to preserving  
cultural values, it will not be proactive unless the
country itself prioritizes a concern for culture in its economic assistance strategy.

If this position falls short of what many cultural leaders may have hoped, the opportunity to present its best face to a leading world financial institution has focused the cultural sector on defining its own priorities in order to progress in its strategic thinking. During this meeting, 18 groups met representing a range of governmental and institutional players in the cultural field. Their reports revealed an astonishing consensus on what needs to be done to achieve the goal of greater harmony in the man-made world through defense of cultural values as an integral part of development.

Three groups re-presented regional consortia:
- Governmental heritage managers from southeast Asia invited by the World Bank,
- Advocates of cultural industries from Africa, sponsored by the Ford Foundation, and
- Ministers of culture from around the world convened by the government of Italy to discuss priorities and an offering of bilateral support programs available through Italian funding to the World Bank and UNESCO.

Two working groups focused on economics and the economic rationale for cultural investment:
- A group led by the World Bank affirmed the viability of cultural investments as sustaining pluralism and generating a climate for debate that is sustainable. Culture is forward-looking and aspirational. It improves the quality of life and should be incorporated into the development process to perform this catalytic role. This group recommended studying best practices to understand the values gained through cultural investments.
- ICCROM (the International Center for the Study of the Preservation and Restoration of Cultural Property in Rome) also chose an economic theme for its discussions. It convened an extensive group of cross-disciplinary specialists, both before and during this meeting, to explore alternative means of valuation of cultural assets. The ICCROM group will seek to develop a conceptual framework to assess value which is linked to social development, not only to traditional economic definitions. This group hopes to initiate a process to "quantify the importance of cultural heritage to society in order to make the right decisions" about its role in sustainable development.

A variety of sectors were represented—education business and the arts, archives, museums, and cultural industries—and focused their discussions on their respective areas of cultural pursuit.
- The education group presented a matrix for bringing information about culture to developing countries through institutional cooperation and modern technological means.
- The business group talked about ways to simplify language and rhetoric in the field to engage the interest of the business community.
- The museums group vowed to build a network to help link objects to contexts and their territorial origins.
- The group on archives explored the fundamental relationship between democracy, civil society, transparency of government and the heritage manifested in archival documents. They advocated a pilot project to catalog the archival documents of developing countries and called on the World Bank and other similar financing institutions to provide working capital.
- The cultural enterprises group presented a passionate summary of challenges facing this sector in Africa—the choices that have to be made because of economic constrains on cultural development. This group called for reinforcement of continuity and synergy, expressed a need to share information and build relationships on a regional basis, and avoid commoditization while gaining access to outside expertise to build the viability of traditional cultural industries.
- The tourism sector talked about expanding the use of cultural heritage as a development tool through gathering case studies, and presented an impressive report prepared for this meeting, as well as a charter to be adopted by the Cultural Tourism Committee of ICOMOS at its meeting in Mexico later this month.

A thread running through all these sectoral presentations was the need to document—the existence of opportunities, resources, and actual material heritage—and exchange this information both within and between sectors.

Finally, many professional groups met to discuss a means to build relationships beyond traditional sectoral lines:
- World Monuments Fund (WMF) and the World Conservation Union (IUCN) both focused on building relationships between the
sectors of natural and cultural heritage conservation. The IUCN announced a task force to explore alternate streams of financing in order to provide funds for the work of organizations on the ground, and called for a sustained effort, not just projects, to defend the work of organizations in the field. WMF convened working groups to discuss integrated cultural and natural conservation strategies at two World Heritage sites—the San Lorenzo/San Geronimos fortress complex in Panama, and the Cinque Terre in Italy.

UNESCO and Interarts presented a research project on five continents to study cultural heritage in urban and rural proximity. This group was one of the few to emphasize the importance of planning and action on a local level, where cultural patterns are established. The group announced an action-research project on a worldwide basis to explore new means by which local/regional authorities can access new partnerships through culture. Their presentation underscored the underrepresentation of local authorities and the civil sector at this meeting.

ICOMOS and UNESCO focused a workshop on techniques to prioritize risks and opportunities in planning for cultural heritage conservation. This group concluded that each country should develop independently a technique to stimulate internal debate about priorities, challenges, and opportunities to address these challenges. The group proposed a site visit to the Basilica of Assisi following the close of the meetings to pursue discussions on this theme.

The World Bank convened a site management workshop, which emphasized cost recovery through strategic thinking, and through the overlay of mission planning with systems of accountability at archaeological sites. The World Bank project at Petra in Jordan was cited as a prototype where entrance fees are captured to offset conservation and maintenance expenses.

UNESCO, the World Bank, and the Council of Europe proposed an analysis of different laws that encourage a frame of interaction between public and private sectors. This group presented a program for the “Mosaic” countries of the Balkans and Central Europe, and announced a project in each of these countries to show how a culturally inspired approach can stimulate economic regeneration and provide a basis for peace building. Each country will nominate a multi-cultural city as a starting point of the comparative study.

Finally, Mr. Wolfensohn presented the World Bank’s position in making future investments in culture. It was clear from his presentation that cultural has been metabolized into the Bank’s own culture. The Bank has announced its intention, with no change of its mission, to be engaged with the cultural sector and sensitive to local cultural issues as development loans are planned. The institution will not go as far as might have been hoped. But it has committed itself to a greater awareness of its own impact on the cultural environment. This can only be to all of our benefit.
Culture Counts

Gianfranco Facco Bonetti
Director General, Cultural Relations
Ministry for Foreign Affairs, Italy

COMMENTARY ON THE UNESCO/GOVERNMENT OF ITALY PAPER** “TOWARDS NEW STRATEGIES FOR CULTURE IN SUSTAINABLE DEVELOPMENT”

It is now my privilege to talk to you of the document that UNESCO and the Italian Government thought would be a pity not to present to this conference. It is a work in progress, it is not something that we are putting on the table and saying take it or leave it. On the contrary, we would like to provoke from you discussions, suggestions, indications, and amendments. It is open to contributions from all participants to this conference.

I would like to sum up the highlights of this document, which is articulated in four parts. One is the historical introduction that I will not, of course, linger on. The second part is on principles; again, I think it doesn’t deserve to take our time here and now. I will concentrate on parts three and four, which are on priorities, mechanisms and programs.

The priorities concern policymaking and implementation that are relevant to governments, NGOs, the private sector, foundations and all concerned citizens. There will necessarily be different levels and degrees of priorities for each set of actors.

Allow me now to cite some of these so as to share briefly the vision and the tone of this paper. I will speak of the five chapters concerning priorities and mechanisms. The first concerns overall policy level, the second advancement of knowledge, the third cultural life and cultural industries, the fourth inter-cultural dialogue, and the last, cultural heritage—tangible and intangible.

Overall policy level. At the international level, as regards the financing of projects through loans, soft loans, and grants, we think it is essential to develop a more productive relationship between UNESCO on one side and regional and international financial institutions on the other side. There is a need on a national, as well as international level, for permanent funding mechanisms that make it possible to invest strategically in culture rather than to rely on piecemeal and ad hoc decisions and initiatives. All agencies and financial institutions in the developing field should introduce a cultural perspective into their strategies and methods. I think that what the President of the World Bank said yesterday goes in this direction. As a corollary, cultural impact assessment should become part and parcel of the identification, design, implementation, evaluation of all development projects.

Priorities and mechanisms with regard to the advancement of knowledge. The practical integration of culture in sustainable development requires reliable, qualitative and quantitative statistical data. The international research agenda envisaged in the Stockholm Plan, for which UNESCO has been asked to develop guidelines, requires support both for its elaboration and for its realization at national and international level. Within such an agenda, a comprehensive research program led by UNESCO in cooperation with the United Nations system agencies and national, regional, and international financial institutions could be launched to create hard data on the linkages between culture and development.

Chapter 3, priorities and mechanisms regarding cultural life and cultural industries. When the market is the sole arbiter, quality and creative experimentation may be compromised. Therefore, we think it is urgent to offer creators, artists, entrepreneurs the kind of incentives that will stimulate production, distribution, and consumption in domestic cultural industries. Schemes should be envisaged to ensure the new creative undertakings can access venture capital and that venture capital markets understand the creative industries.

There is a specific need also to set up mechanisms that can contribute to the goal of poverty alleviation by helping traditional artists and craftspeople, particularly the most destitute. To create cooperative distribution mechanism between developing countries in order to promote the international distribution of particular categories of cultural goods, a soft loan credit line could be opened by regional and international financial institution, particularly with regard to books and crafts from developing countries.

Chapter 4, the inter-cultural dialogue. Programs designed to foster awareness of the process of interaction and mutual enrichment generated by the long memory of relations between the peo-
ples and cultures of the earth should enjoy top priority. It is this dynamic of pluralism which gives structure to the different forms of social and cultural organization. A multi-disciplinary approach requires that intercultural projects should be designed by teams comprising historians, geographers, teachers, economists, sociologists, and science popularizers. The same approach which promotes mutual knowledge of people, their values and their creations, and their tangible and intangible cultural heritage, should be adopted for the design and implementation of cultural tourism projects.

I come to the last, but by no means the least important chapter on priorities and mechanisms, the one concerning cultural heritage—tangible and intangible. Governments should give priority to identifying and promoting ways in which the conservation and adaptive reuse of historical monuments and sites, as well as intangible cultural assets, such as the traditional performing arts, handicrafts know-how, and other forms of traditional knowledge, can contribute to regional and local economic regeneration. Local communities should be directly associated with the conception and management of urban rehabilitation projects. It is therefore imperative to develop projects to teach populations about their own heritage, about the possibility afforded by the new communication technologies that will have to be used and developed.

The Government of Italy believes that the greatest challenge in this domain is the preservation of the monumental heritage, archaeological sites and cultural landscapes. These types of artifacts and natural assets should be recognized as the most meaningful signs of previous civilization and culture. Accordingly, it intends to actively promote a reinforcement of the World Heritage fund and the activities of UNESCO.

Particular attention should also be paid to the less known aspects of heritage, such as the collections of small museums, which stand as living testimony to local and regional cultures. In fact, museums have always played a key role in building cultural identity and awareness. What would Florence be without the Uffizi? What would Madrid be without the Prado? Or Paris without the Louvre? Museums are treasure houses of the creativity of the past. They must become an instrument for enhancing the status of these cultural resources within their communities in the context of globalization and the safeguarding of cultural diversity.

As part of the overall strategy that is necessary for the conservation and restoration of the architectural heritage, an international program of maintenance, mapping, risk analysis, conservation, and monitoring is, in our opinion, urgently needed. In fact, the Government of Italy proposes to launch and support such a program.

I come to the end of my commentary. Of course, I have touched only on some of the priorities and programs of our joint document. We didn't have enough time to discuss them deeply here, but this afternoon we could have an open forum in this same pavilion. As the Leaning Tower of Pisa said to the Big Ben of London, "if you have the time, I have the inclination."

Finally, I will share with you a thought that I find fascinating. Those of you who know the Museum of Natural History in New York have probably seen the beautiful hall of biodiversity that has been added to that museum. On a wall of the hall you can read a Kenyan proverb that says, "let's treat nature well; it was not given to us by our fathers but it was loaned to us by our children." If we put the words "cultural heritage" in place of "nature" and if we read it again, "let's treat the cultural heritage well; it was not given to us by our fathers but loaned to us by our children," we have the best possible direction for the actions that stand before us at the threshold of a new century.
Hernán Crespo-Toral,
Assistant Director General, UNESCO

Je voudrais reprendre la toute dernière phrase de M. Facco Bonetti: le patrimoine est seulement un prêt.

Notre grand défi est bien de le transmettre aux générations futures. Mais nous avons tellement de choses à leur léguer qu’il faut bien définir les priorités.

Nos débats ont révélé trois points essentiels. Premièrement, que la culture a un rôle capital à jouer dans la construction de l’avenir. Elle n’est pas seulement l’expression artistique ou des biens matériels, mais plutôt la conception de l’univers qu’a chaque personne et chaque société. Pour réussir le développement, il faut impérativement tenir compte de chaque culture, de chaque population et de chaque individu. Ceci est crucial à un moment où la globalisation nous fait craindre le risque de perdre notre “diversité créatrice”. C’est la spécificité de chaque culture qui est notre plus grand rempart. C’est par elle que nous pouvons accéder à un avenir de paix, de compréhension mutuelle et de développement équitable.

Le deuxième point mis en relief est la façon dont la culture peut contribuer à l’économie. Nous avons bien compris l’importance du patrimoine. Comment, par exemple, à Florence le patrimoine est une valeur essentielle pour ses habitants, une base pour le tourisme et pour le partage équitable des richesses. Mais, dans beaucoup de nos pays, il y a également les industries culturelles qui sont des générateurs importants de revenus. Ailleurs, l’artisanat est un moyen de survie pour des centaines de milliers de personnes, tout en fournissant un cadre esthétique fondamental. Il faut en tenir compte dans la vision de l’avenir de chaque peuple.

Le troisième grand point que je vois émerger des discussions, et qui est souligné dans le document que vous allez discuter, est l’utilisation de nouvelles technologies. Si elles sont mieux partagées, elles peuvent servir à renforcer la diversité culturelle au lieu d’entraîner une homogénéisation. Je veux dire que la technologie doit être au service de l’homme, et non pas l’homme au service de la technologie. Cette vision humaniste s’exprime ici à Florence à travers tous ses monuments.

Mesdames, Messieurs, vous savez tous que nous sommes nombreux à réfléchir depuis une quarantaine d’années sur le rôle de la culture et que l’UNESCO a toujours été le chef de file en la matière. Il est temps aujourd’hui de mettre ces idées en pratique. C’est pour cette raison que nous sommes heureux du dialogue qui s’est instauré ici avec les ministres des finances, avec des planificateurs et avec d’autres responsables politiques.

Les enjeux sont considérables et l’UNESCO est très heureuse de partager avec vous la responsabilité de conserver et de mettre en valeur nos atouts communs.
Ian Johnson  
Vice President, Environmentally and Socially Sustainable Development  
The World Bank  

**COMMENTARY ON THE WORLD BANK PAPER**  
"CULTURE AND SUSTAINABLE DEVELOPMENT"  

The Bank's central mission is to fight the crippling poverty we see in our client countries. It is a challenge that is really daunting—one billion people are living in absolute poverty, two billion people do not have access to save water, many more do not have access to sanitation and safe and pollution-free energy, many people do not have the economic means to buy even basic goods and services that we often take for granted. With such pressing concerns, I am often asked why we should worry about culture and cultural development. And yet sustainable development, in a sense, is about human wellbeing today and tomorrow.

Addressing poverty in its broadest context, we must meet nutritional needs and food security. We must ensure incomes are meant to buy basic services and goods. But also sustainable development seems to me must enable social wellbeing, family security, social cohesion, identity inclusion, and self esteem. Opportunities must be created by educational and intellectual fulfillment. Sustainable development must also concern itself with a rampant destruction of the planet's resource base. To many in the world, and much of the discussions I heard, it is interesting that many see the natural resource bases both as an important economic and cultural resource.

Culture is profoundly important to our ability of meeting the challenges of poverty. For the Bank, I see two mutually reinforcing dimensions. The first is that we need to better understand that the cultural dimensions of development are central to our mission. If we do not support projects that are directly related to the circumstances and cultural conditions of the people we serve, we simply do our job properly. For example, effective educational projects are likely to be those that have been carefully designed to respond to local cultural and linguistic circumstances. Second, is that we must also consider the development dimensions of culture. Physical and expressive culture is often a tremendously undervalued resource, not, I must say, in Florence but in many developing countries. Carefully designed and locally owned programs geared toward tourism, crafts, and other cultural enterprises can provide tremendous opportunities for the poor to generate income and livelihoods. And studies have demonstrated, whether income earning or not, support of the cultural activities of the very poor can have a profound effect on their wellbeing on social organization.

Indeed, the Bank's business has changed considerably over the past 30 years. Thirty to forty years ago, when development was seen as a financing gap, financial capital was all that was needed, to where we are today on a journey we have traveled. Jim Wolfensohn also talked about where we really have to view development in a comprehensive setting, in a much more holistic way than we ever had before. To use Mr. Wolfensohn's summary, he talks very much about the financial being balanced with the social and structural. I think this is the new challenge for us in the World Bank to take this more holistic view of development.

In that context, we developed and prepared an operational framework for culture. Now approved, the framework helps the Bank define an appropriate role, establishes broad guidance on operational priorities, and sets the stage for partnerships with others. The framework has noted that the World Bank has long had policies aimed at avoiding the adverse impacts on societies and cultures. For example, our policy currently under revision on indigenous peoples and our policy guidance on cultural property, just to name two.

However, we noted that cultural dimensions of our lending especially for agriculture, urban development, and education were increasingly incorporating local traditions and cultural aspects. The framework now provides the basis for action. It notes that the Bank financed the culture-based activities as justified when it responds clearly to our client government's expressed needs. And we are fully integrated into our country assistance dialogue and strategy. In particular, the framework notes that our lending is justified when the loan reinforces sectoral or project objectives, reduces poverty, and stimulates enterprise development by and for the poor, contributes to poor groups, social capital, and capacity, or leverages private direct investment

* * *The executive summary of this document, that was prepared for the Board of the World Bank and as a companion piece to the UNESCO/Government of Italy paper, can be found in Appendix C.*
that generates local employment benefiting the poor. In other words, the loans that we put on are thinking about culture and are closely related and correlated to our core mission.

We also noted that more work and further analysis is needed and I look forward to discussions with many people I have met over these last few days. And where we need to think from our point of view for an operational organization is of the link between culture and how it can strengthen social cohesion. Secondly, we need to identify those tourism opportunities that can genuinely provide benefits to alleviate poverty. And third, we need to ensure that the Bank finance in culture is truly complementary to others and does not simply substitute for others that can do the job better sometimes than we can.

Today, we have developed about 30 projects, 20 with culture components and 10 outstanding projects. And finally, the framework paper places great emphasis on partnerships and ensures that we complement our skills with those of others, such as the leadership provided by UNESCO. In that regard, I hope that we will have a close relationship with UNESCO in the near future. We are certainly planning some meetings to discuss areas of collaboration; also with the foundation world, with the governments, bilaterals, and NGOs. Finally, we were asked to report back to our Board in approximately two years’ time to look at the progress we have made.

In conclusion, this meeting has been enormously helpful for the Bank. It has reinforced our belief that culture does indeed count. It is of course too early to draw all the lessons from all that has gone on in the last few days because it was an extraordinarily rich debate. I have a number of my own observations on some of the areas that I think we need to focus on. We have listened, we have learned; it will enrich our dialogue particularly in the context of our country assistance. I would like to close with one of the comments that I take away from the conference: culture counts most if we listen carefully to the voices of the South. To be operationally effective, we in the Bank must enhance our dialogue at the local, national, and regional level in our client countries, and in the context of our overall country assistance strategy that is aimed at alleviation of poverty. This we are committed to doing with partners and people, such as many we have met today; and with UNESCO. We will do our utmost to make a difference.
Session IX presents concluding remarks and a retrospective look at the highlights of the conference that bring the four-day event to adjournment.

The moderator for the session was Patrizia Toia, Undersecretary of State, Ministry of Foreign Affairs, Italy.

Federico Mayor
Director General
UNESCO

What a wonder is Florence! Florence—an outstanding example of creativity, of vision, of culture, of political will. And Italy today, like the Italy of the past, is also in my view an example of awareness and of commitment. We must realize that we have to invest differently. We must invest in protecting people, in protecting the women and the men of the world, their cultural identities, their tangible and non-physical heritage, and their genetic and ethical heritage. We have to safeguard cultural pluralism and the endless diversity, the uniqueness of each human being from the biological point of view. Creative capacity is the distinctive feature of all human beings; it is our hope.

I thank Minister Lamberto Dini for the remarkable preparatory work which enabled this conference to break new ground, and the Mayor of Florence and the regional authorities of Tuscany for their hospitality. I also wish to mention my friend James Wolfensohn for the substantive—not the structural!—adjustments he is introducing in the World Bank. I thank too the First Lady of the United States, Hilary Rodham Clinton, who will be joining us here today.

I pay tribute, Ladies and Gentlemen, to the World Commission on Cultural Development chaired by Javier Pérez de Cuéllar, former Secretary-General of the United Nations, which produced a wonderful and provocative report on our creative diversity. And also I would like today to recall the Stockholm Conference. I think it was a turning-point in the present efforts to place culture at the center of our development efforts. At this dawn of a new century and of a new millennium, if we really wish to correct present trends, we must now realize that the time has come to act. There is no sustainable development without endogenous development. To have ignored this principle has, in my view, been one of our major errors over recent decades. We thought that all assistance should come from outside: capital, engineers, entrepreneurs, scientists, and policy-makers. The end result was the absence of any endogenous transformation.

Therefore we must realize that what is needed is to help the different countries to develop themselves with their own engineers, their own artists, and their own capacity for decision-making. And in fact, we have been reducing international assistance to them; rather than giving grants, we have been giving loans. This is very different because loans have to be repaid, creating vicious circles of incapacity to pay, and preventing any
development in many cases. We must remember that in 1974 we promised to give the developing countries 0.7 percent of our GNP. With the exception of the Nordic countries—and we should pay tribute to them—none of our countries have honored this commitment. In the past few years we have been even decreasing it from around 0.36 percent in mid-decade to about 0.2 percent today.

National sovereignty cannot be achieved without the individual sovereignty of citizens. There can be no sustainable development if there is no freedom to denounce injustice. And such freedom means democracy. Therefore there can be no sustainability in development without sustainability in democracy. And there is no sustainable democracy if there is no sustainable peace. It is an interactive triangle. Full citizenship means that the citizens count. Very often they are counted, in the elections, in the polls. They are counted, but they do not count. To participate is to exist as a citizen.

We have done so badly in the past. We have not shared knowledge or shared wealth or power. Look what happens with women’s capacity for decision-making today. Only four percent of those in the decision-making process are women. Only nine percent of parliamentarians are women. We have to learn to share better. We must reach the as yet unreached. We must include the as yet excluded.

On the occasion of the Millennium Assembly that will take place next year at the General Assembly of the United Nations, I have suggested four new contracts: a new social contract, a new cultural contract, a new environmental contract, and a new moral contract. Because this is what the UNESCO Constitution calls for. But the result of all these new contracts should be a global endogenous development effort so that all the inhabitants of the planet can really share advances in science, advances in culture, and advances in the quality of life. Cultural production in the rural areas is a wonderful thing. This is not only because of cultural tourism, or because handicrafts are a source of economic development in the rural areas, in the poorest areas sometimes. No, it is because it has the human touch. I believe that in time to come, “high touch” will be more important than “high tech”.

We cannot regard cultural goods as ordinary goods, because they contain the creativity of the woman or the man who produces such goods. And this is why I think we should inform the World Trade Organization that there must be a specificity for cultural goods. Does culture count? Yes, indeed, culture counts. And, as has been said so well this morning, it is not just a matter of restoration or of safeguarding the past. What really matters is the future.

We cannot rewrite history, but we still have hope, because before us we have the future. And the future is not yet written—not yet—perhaps some irreversible trends mean that it is already partly written, but in principle it is before us, still intact.

Since we are in Italy, I would like to conclude with a wonderful image given to us by Leonardo da Vinci. Leonardo said that when the sea is rough, those aboard ship suddenly realize that there are no blacks or whites, no rich or poor, no women or men, no elders or youths. They suddenly realize they are all passengers sharing a common destiny. And today, at this dawn of a new century, the waters of the planet are very rough.

Present trends are not good. In recent years we have invested more than US$800 billion in armaments, and then we say there is no money. No money to protect our language or cultural identity or to promote creativity because we are investing in the defense of our borders, the defense of our frontiers, the defense of our national sovereignty. But what about what is inside? What about the protection of the children, the women, the men, the water, the earth that are inside these frontiers? We must have a new approach to security, and we must have a clearer idea of what we are protecting. If we want sustainable development we must place culture at the heart of this development: and the supreme expression of culture is our everyday behavior. The way in which we behave is the expression of our culture. And it is for this reason that we have proposed—and the General Assembly has just approved—this concept of a “Culture of Peace”. Let us change from the culture of force and violence to the culture of dialogue, the culture of tolerance, the Culture of Peace.

Madam Chairperson, I would like to tell you how impressed I was one day in Africa, where creativity is so fantastic, by a teacher I met near Ouagadougou in Burkina Faso. “Mr Director-General”, she asked me, “why is it that you peo-
people from the UN Agencies when you come here, instead of asking for our experience and our thoughts, give us lessons and advice? Why do you not come here to listen?"

Here in Florence, as Ian Johnson rightly stressed a few moments ago, we have had an opportunity to listen to each other. Here as representatives of governments, non-governmental organizations, and the private sector, we have spoken to each other and to international agencies and come down somewhat from our ivory towers. Together we must now do all we can to place culture, which means human beings, at the very center, at the very heart, of our development efforts.

Hillary Rodham Clinton
First Lady
United States

Thank you very much, and I am delighted to be here at this very important conference. I would like to begin by thanking my good friend Jim Wolfensohn and the directorate of the World Bank for inviting me to be a part of this conference. I also want to applaud the Bank's commitment to culture and the way in which the Bank has included culture among the core areas to be addressed in the Comprehensive Development Framework.

Let me also thank Director-General Gianfranco Facco Bonetti and the Government of Italy for hosting us here in Florence, a city that is truly a cultural capital of the world and one that draws millions and millions of visitors because of the treasures that are so well displayed here. I also thank the Government of Italy and the Government of the city of Florence for supporting this conference.

I know you have already had three productive days talking about the importance of culture in sustainable development. You have been discussing ways in which financing and resources can be made more available for culture. There are many important points in this discussion that bear attention and that I hope will serve as the basis for further conversations among cultural ministers and representatives, but also joining with economic and finance ministers and social ministers as well. I further hope that the conference creates the kind of public and private dialogue that is important for the furtherance of the appreciation of culture in the lives of individuals and societies around the globe.

I would not take your time in repeating the issues that you have already discussed and about which you have so much expertise. But I would like to speak to you as someone who has been privileged to travel widely, to see some of the world's most priceless cultural treasures and traditions, and to listen to the challenges and hopes of families—and especially to hear the voices of women and children—who are struggling to build better lives for themselves. I would like to add just a few modest strategies and suggestions for supporting cultural development to ones you have already discussed.
Over the past seven years, I have represented the United States on nearly every continent but for Antarctica, and I have met hundreds, indeed thousands, of men, women, and children who have talked to me and shown me with pride their homes, their crafts, their treasures, their museums, their institutions, and the fabric that makes up their lives. Like many of you, I have seen some of those treasures that are known throughout the world. I have walked along the reflecting pool of the Taj Mahal. I have seen with my own eyes the Door of No Return on Goree Island in Senegal. In both those places one could not but be provoked to think: in the first, about the enduring love that was shining in those shimmering waters, and in the other, the doorway that led so many of my fellow countrymen on their horrifying journey to slavery. Each of those instances was a provocative moment, and there have been many others, whether it is sitting in one of the great cathedrals of Europe and watching the sun stream through the stained glass or standing in awe before one of the artistic treasures in this city.

It is at those moments that I believe many of us are overcome by the richness, the diversity, and the legacy of the human experience. Each of these monuments has sprung from the mind and muscle of our forebears. And each has the power to take us back to civilizations in the recent or distant past. As we look at places that are so well known to us, we also have to see those smaller, quieter places where culture is living today. From the Great Wall of China to the Western Wall in Jerusalem, you can see how culture is being lived out on a day-to-day, minute-by-minute basis. But you could also see how young people look so similar today, dressed very much the same in brand-name t-shirts, eating the same brand-name hamburgers, finding their dialogue and their imaginations fired by the same kinds of TV and movie characters, evidence of the globalization of popular culture in our time.

When I think, then, of globalized popular culture juxtaposed against some of the world’s most unique cultural treasures, I am particularly reminded of the urgency that we must give to preserve and nurture culture in sustainable development in what often appears to be a throw-away world.

Globalization in itself is neither good nor bad. Technological process, the Internet, faxes, satellites, jet travel have indeed brought our world closer together. And more than at any other time in human history, the world has the knowledge, the skills, and the wealth to empower people—especially those living in the developing world—with the choices and opportunities to live healthier and more fulfilling lives.

But we have also seen first-hand how globalization and development can threaten cherished traditions and cultures, how globalization can create consumers, but not citizens. We know from the newspaper headlines stories of in-laws burning brides because their dowries failed to yield color TV sets, or of poor people in every region of the world spending hard-earned money on products they think represent modern culture.

President Havel of the Czech Republic has spoken and written at length about globalization and the homogenization of our desires and tastes. He argues that now, though, there is already a rebellion against globalization. He sees, as I see, the desires of so many to assert their identity against mass culture fueled by globalization. In his words, “Many of the great problems we face today... have their origin in the fact of this global civilization, which is no more than a thin veneer over the sum of human awareness.” Beneath that thin veneer, people are striving for identity and feeling a great need to set themselves apart from one another. Cultures and peoples who feel they have been marginalized by globalization are demanding to be heard, and some are even taking drastic steps to be so heard. We have seen some of the worst evidence of this in wars and ethnic cleansing, in the threats and terrorism of religions fundamentalists.

That is why in this era of globalization this conference is so timely, because it is essential that we respect the diversity of cultures and that we give all people the opportunities to preserve and practice their traditions. And that is why whenever we consider strategies for economic and social development around the world, we must not forget the importance of culture.

Now, I would imagine that there are many in the countries from where all of you came, and others who are observing this conference, who might wonder why so many people committed to tackling the “hard” issue of alleviating poverty—people committed to bringing education and health care and water purification and sanitation and transportation and communication to disadvantaged communities—might gather here
in Florence to discuss what still too many believe is a luxury, that of culture and the role of culture in sustainable development. But as this conference so rightly says, when it comes to alleviating poverty, culture counts. It counts for economic development, where the restoration of historic areas and monuments can attract tourism, and the revitalization of traditional crafts can attract business and investment. It counts for social development, because we have learned over and over again that we cannot improve the quality of life without improving the soul of life. And culture is the soul of life. It is what gives us roots, gives our lives meaning, it is what binds us to each other.

The American writer William Faulkner once said, “The past is never dead. It is not even past.” Not only the blood, but the experiences and hopes of our ancestors course through our veins. And only through their languages and legends, through their still-existing monuments and still-living traditions, can we understand who we are, where we came from, and what we want to be.

Just think of what has happened in the ten years since the fall of the Berlin Wall, as people have discovered their long-suppressed culture and felt compelled to express it in many diverse ways. Just a few days ago in Warsaw, I visited the Lauder School, where scores of children were studying Hebrew and Jewish traditions in a place where it was thought that would never occur again.

Four years ago, in Mongolia, I met children who in the days of Communism had never been permitted to read about their great ancestor, Genghis Khan, or to find materials for school in their native language. In those two places, very far from one another, Warsaw and Ulan Bator, I saw children—children expressing themselves and looking for ways to connect their present with their past. As I listened to the children sing a traditional song in Warsaw, I thought how extraordinary it was that they would now be able to worship and speak their own language, to honor the ways of their ancestors without fear. When I returned from Mongolia after hearing the stories of the young Mongolian children who could not even imagine their past because there was no written material or other text to provide that guidance to them, I worked with their government to procure Mongolian-language textbooks so that those children, too, would have the right to express and understand their culture and history.

Throughout our century, we have seen the waste and tragedy that can occur when we take a culturally illiterate approach to development. How many health clinics that have been funded by the World Bank or UNESCO or UNICEF or governments have failed because they could not serve the communities that desperately needed them because aid workers failed to respect local mores and customs? How many tons of farm machinery have been left rusting in fields because donors never asked the farmers whether they wanted the equipment in the first place? How many roads to nowhere sit abandoned in the countryside because local residents had not been consulted on the placement of such roads?

For the sake of progress we have uprooted tens of thousands from ancestral villages and transferred them into high-rise apartments that offered modern amenities but attracted crime and alienated residents. For the sake of progress we have knocked down historic buildings and replaced them with parking lots. For the sake of progress we have built roads through the countryside and destroyed centuries-old, time-tested methods of irrigation.

That is why we must bring a new cultural literacy and cultural respect to all of our development strategies—from health care to education to safe shelter to sanitation and clean water to transportation and agriculture. Cultural respect and preservation must become indelibly linked to progress and development. The World Bank—and so many of you who represent foundations and governments—have helped lead the way, both by making sure that development projects reflect the lives and traditions of the people they serve, and by investing in culture for its own sake.

Let me mention one particular strategy that I have seen first-hand in the last year. Last spring in Cairo, I visited a medieval neighborhood that was coming back to life because of efforts to restore a twelfth-century mosque and other historic buildings. The corrosive effects of time, pollution, and rising groundwater had begun to destroy the structures. And like so many other urban centers struggling with rapid population growth, living and health conditions had deteriorated. The renovations were, however, spurring the increased development of other buildings and attracting more tourists and business back to the community. The work that was done there was both culturally literate and sensitive, and I
was pleased that the U.S. government, through USAID, was supporting this and similar efforts in Morocco and India and China.

For the first time in the history of humankind, more people are living in cities than in countryside. And as urban populations continue to grow, projects to restore and re-purpose historic structures and to upgrade sanitation and infrastructure can be essential to ensuring the continuity and strength of communities. Through such projects an entire neighborhood can be mobilized and empowered to rehabilitate historic traditions and at the same time to solve problems such as those caused by rising groundwater. Traditional craftsmen can find new employment and businesses can prosper from well-managed tourism.

In addition to all the recommendations you have made for “Creating Capacities for Sustainable Development,” let me add just two more:

First, I believe it is important to support more museums and cultural institutions in the developing world, places where cultures are most threatened by globalization. I often think of a struggling museum I visited in Africa. There was only one air-conditioned room in this beautiful old building that had been turned into the national museum. And in that one air-conditioned room, in a closet full of cardboard boxes, were kept some of the most precious artifacts of our human history. The museum guide took out the boxes one by one and opened them, and inside, wrapped in thin cotton, were human skulls more than a million years old. I think of those skulls—some of the most priceless artifacts of humanity—stored in those flimsy boxes, and wonder how many more irreplaceable objects are at risk of disintegration and destruction. We must do more to help these nations and their governments restore their treasures, store them safely, and display them appropriately. The answer is not to remove them from their countries of origin, but to keep them close to the people, where they belong, by offering appropriate aid.

That is why I was very excited to hear about an innovative idea called the “Culture Bank.” With the help of Peace Corps volunteers and a few international NGOs, the people of a village in Northern Mali have found an ingenious way to keep their local treasures in the community and to promote business development at the same time. They have started a culture bank that offers small loans to people who agree to lend an object of historic value to the community museum as collateral. That way, families who need money for seeds for harvest or another goat to milk or whatever other business venture they are engaged in for their daily income are not tempted to sell their treasures to tourists who will take them out of the villages. So far, the bank has had a 100 percent repayment rate, and a new respect for cultural traditions has taken root in the community. We must find more innovative ways like these to link cultural development to economic development.

My second proposal is also very simple. I believe we should call on our children’s potential to serve as leaders in cultural preservation. I would urge that we support more efforts such as the Adopt-a-Monument program that I have seen both here in Italy, in Naples and in Sicily in Palermo. As many of you may know, it is a program that encourages schoolchildren to choose a historic monument and take responsibility for its care. In both Palermo and Naples, I saw how children had worked hard to revive centuries-old churches in their communities that had been left to deteriorate. They studied the history, they developed guided tours, they picked up garbage, and they raised funds for renovation. At each site, I was surrounded by children eager to tell me the story of their church. I could hear the pride in their voices as they recounted the historic events that had taken place within those walls.

I have heard and witnessed similar delight in the voices and eyes of children in my own country. Two years ago, the President and I created a White House Millennium Council to lead us in a celebration of the coming millennium by helping all of our citizens to “honor the past and imagine the future”. I have traveled around my own country bringing attention to historic sites, encouraging local communities to come together to Save America’s Treasures. That includes not only great works of art and historic buildings and natural landscapes, but what may be found in every community or even in the attics of many homes in my country. I remember visiting Hispanic children in New Mexico who had banded together to study the history of a local statue called the Southwest Pieta. They performed a play in both English and Spanish to explain the legend of this statue.

The enthusiasm that children can show for cultural preservation is also evident in a new effort in the United States called Pennies-for-Preservation. School children are raising literally pennies
to save historic places such as the home of Harriet Tubman, the famous ex-slave who in the nineteenth century became a leading abolitionist who led other slaves to safety and freedom. Though their contributions were modest, their interest in the fate of this historic place was priceless.

Each of the children I met from Adopt-a-Monument or Southwest Pieta or Pennies-for-Preservation also have gained a new appreciation for the rich cultural legacy of their ancestors and therefore are likely to show more respect for the culture in which they live.

There is no reason why these efforts cannot be transplanted, especially to children living in countries struggling to preserve their cultural treasures. Anyone who has ever seen the concentration a child can bring to a hobby or a sports event or to a story that is being told knows that children have a tremendous capacity for soaking up knowledge and history. They are innate curators and preservationists.

So why not, in this age of globalization, remind them early of their unique and diverse heritages and help them learn to take responsibility for preservation? Teach them to respect culture and recognize the stake they have in its preservation and maintenance for future generations. If we do work with such children we may also see other results flowing from these efforts.

I have met so-called at-risk children—those at risk of dropping out of school or becoming violent or criminals. And with those young children we have seen time and time again that if given the opportunity to participate in the arts and culture, they often bloom. Studies have shown that arts programs, more than any other, are most effective in bringing out the intellectual and creative potentials of at-risk children and keeping them out of trouble. Each year at the White House, we give out the “Coming Up Taller Awards” to recognize model programs, and I’ve been told countless times by young men and women that if it had not been for their writing or arts or performance or dance classes, they would be on the streets or in jail. These children know what you know: Culture counts.

In a mere 85 days, we will be celebrating the dawn of a new millennium. As we look back at these past 1,000 years, we can see that as a people we have made much progress. We have cured diseases thought incurable and managed to lengthen and improve the quality of life. We have circled the earth in every imaginable way—boats and planes and even balloons. We have seen the effects of space shuttles and fiber-optic cables as they have stretched our imagination and brought us closer together.

But nothing has changed what we might very well call the values that define us most, values that exist between the economy and the government, values that really lie in the middle between our economic and our governmental activity and that make our life worth living—our family and our faiths, our work and freedom, our creative expression and knowledge, our associations. In other words, our culture. So if we want to see the 21st century be as rich as it can be, and if we hope that our children will respect their own cultures and the cultures of others, then we have to make culture count. And we have to link culture to economic and social development. And by doing so, we will make a statement that is a statement of values about who we are as a people and what kind of future we think we can make together.

Thank you for thinking through these issues and for ensuring that culture counts in the future.
Ismail Serageldin  
Vice-President, The World Bank

FLORENCE 1999—CULTURE COUNTS IN SO MANY WAYS... (A RECAPITULATIVE SUMMATION OF THE EVENTS)

Prologue

Minister Giovanna Melandri, Minister of Cultural Heritage and Activities of Italy,  
Senator Patrizia Toia, Undersecretary of State, Ministry of Foreign Affairs, Italy  
Mr. Federico Mayor,  
Director General of UNESCO  
Excellencies,  
Ladies and gentlemen,

I have been challenged to try to summarize and draw the conclusions from the incredibly rich discussions we have had for the last four days. To do justice in about half an hour to the contributions in 78 learned interventions, 17 thematic groups, 6 discussion seminars, and 11 plenaries, is not easy. But, I will try. However, allow me first of all to express our thanks and appreciation to all those who labored long and hard to make this event such a success. Our hosts top the list of the many that I would like to thank, a list too long to mention every person by name. But, I know that you would all agree with me that the key person who pulled it all together was Joan Martin-Brown. She worked tirelessly on content and logistics to make it all possible. No aspect was too big or too small to warrant her personal attention. Her mastery of substance and diplomacy is manifest in every part of these proceedings. Please join me in a round of applause.

But if we express appreciation to the organizers, we cannot lose sight of what makes this event so magical—the city of Florence and the remarkable hospitality that we have witnessed. Our thanks go to the citizens of Florence, to the Mayor, and to the President of the Regional Government of Tuscany.

Introduction

The setting

Excellencies, ladies and gentlemen,

Some have decried that these are times when “...The progress of civilization dulls our feeling for paradox. We lose our capacity to wonder. We be-

come less exlamatory and less poetic.” (Boorstin, Cleopatra., p. 173). Yet today, I know I speak for all those visitors who came to Florence when I say that the beauty and the poetry is very much alive, that the new and the old can cohabit in marvelously paradoxical and pleasing ways, that surround and envelop us in remarkable ways.

The very buildings where this event is taking place—the symbolic significance of a converted fortress—was a point taken up by a few of the speakers.

We have been all swept away by the magic of Florence. You saw the past come alive witnessing the inauguration of the New Special Illumination of Santa Maria Del Fiore—and in having the unique privilege to see the exhibition “Youth of Michelangelo”, and in the myriad events that made this a truly memorable experience.

The history

The magnificence of this city of art and history, the city of the Medicis was brought vividly to life by Anna Maria Petrioli Tofani, Director, Museo degli Uffizi, in her lecture on Financing Art and Culture in the Renaissance in Florence: The Medicis' Contribution

Patrons of Michelangelo, the Medicis gave the Renaissance its luster and its mystery. Would that at the dawn of the new century we could find ways of creating a space of freedom for the cultural expression of a humanistic world that can arouse the best in each of us, as it recognizes the universal and the eternal in the legacy of our common humanity. And it was thus particularly apposite in these proceedings that we could be touched by looking to the future, with the young, those for whom we are but brief custodians of this planet, we saw the moving images of the Children's Art Exhibit, “Children Look to the Horizon.”

The event

Important by its Attendance, its Purpose, and its Outputs:

The importance of events is sometimes judged by the eminence of the attendees, by the loftiness of the purpose of the meeting, or by the significance of the outcome. This event is a most important one by any of these measures. Not only were we enthralled by so many eminent persons from so many different worlds coming together—from
Finance and diplomacy, from government and NGOs from art and scholarship, from activists to deep academic thinkers, all have come with a shared purpose, to advance the cause of culture in our world, by asserting the importance of culture, and the viability of investing in its preservation, its evolution and the creation of the space of freedom necessary for the creation of the new.

From our different vantage points we have come together and worked at advancing knowledge, studying best practices, and networking for further action. By that constellation of intent and deed, the meeting is more than an event. It is a capstone of an exploratory phase of tentative, groping collaboration among the many who care, and the launching pad for a new phase where an activist coalition of the caring will move the agenda forward more vigorously than ever.

I know that many of you share my sense of excitement and I will try to summarize some of the key themes that struck me as the most promising and prominent in our deliberations.

The key themes

I believe that we can identify four key themes that have permeated our discourse. I will have more to say on each of these later on, but allow me just to list them up front:

First, we established the setting. This was the essential framing of the space within which the discourse on culture and development must take place. This setting treated

- The development dimension
- Heritage at risk
- Celebrating diversity
- Empowerment of the poor

Second, we analyzed the problematique. Here, we treated conceptual issues such as the value of culture and the non-material yet fundamental aspects of this enterprise. The very notion of heritage, of living culture and of the invention of the future were part of our endeavor.

Third, we identified the actors. We collectively recognized that the involvement of public and private, of government and NGO, of international, national and local, the formal and the informal, the NGOs, all were absolutely needed. It is there collaboration that will be the basis of this coalition of the caring.

Finally, we explored the approaches. We discussed specific cases—what works! And why!

These key themes tied together the many strands of arguments that we heard in these last four days, and can help clarify the overall patterns:

- Upon this gifted age, in its dark hour,
- Falls from the sky a meteoric shower
- Of facts...they lie unquestioned, uncombined.
- Wisdom enough to leech us of our ill
- Is daily spun; but there exists no loom
- To weave it into fabric...

—Edna St. Vincent Millay, Huntsman, What Quarry

Let me try to take up each of these themes in sequence and tie together some of the many interventions that were made to try to highlight this rich tapestry that we have been weaving together in the last four days.

The Setting: Culture In Sustainable Development

The development dimension:

Development is about improving the lot of individuals and societies. The one cannot go forward without the other. Development requires expanding the space of freedom for the individual and the reduction of poverty, which deprives the poor from the exercise of choice and challenges our cultural concepts of common humanity and our values of equity and fairness.

There can be no society without culture. For culture is what provides the sense of identity, so central to concepts of social inclusion and solidarity; the fight against discrimination and exclusion, the empowerment of the weak and the marginalized. These are the essence of development.

How can one divorce that from culture? If indeed, along with Daniel Bell, we would consider that...

Culture, for a society, a group, or a person, is a continual process of sustaining

- an identity
- a consistent aesthetic point of view,
- a moral conception of self, and
- a style of life.

Culture is thus the realm of sensibility, of emotion and moral temper.

But going beyond that conception, or rather extending it, I would say that culture is the foundation out of which grows the legitimated structures of society. Legitimated, in the sense that they are broadly supported by the society that
they govern, that they are seen to reflect its values, and that they are therefore effective.

Like Daniel Bell, I am, therefore, using “culture” in the broader anthropological sense, not in Arnold’s or Eliot’s usages of the term as the products of the imagination. Cultures here are “...the binding fidelities of consciousness, rooted in history and tradition, kinship and race, religion and nationality, that shape the emotional ...[bonds]... among individuals and make them one”. (D. Bell, 
Cultural Contradictions of Capitalism, p. 332) 

Material and immaterial culture—no dichotomy

Some have tried to see in this the dichotomy of culture. The built and the unbuilt. The material and immaterial manifestations of culture. But they are truly linked. For we do not see the built or the physical except through the cultural constructs of history and significance that we bring to bear on the interpretation of what our senses tell us. Associations and interpolations, conscious and subconscious, are constantly making sense of the material for our minds to engage with and for our emotions to enjoy or be moved by.

Whose culture?

There are those who argue that culture is for the elites, that each society is entitled to develop its own cultural norms, regardless of how some in the West would find it exotic or even offensive. They are wrong. Culture, as I have defined it here, as it permeated our discussions, meets the needs of all, and is inseparable from meeting the needs of the poor. They are wrong if they deny the importance of universal parts of our cultural consciousness, from human rights to responsibility to the other. These, and concerns about what I would term the universal imperative—the difference between relativism and pluralism—were points all well made by Paul Streeten.

The problem of poverty: The culture of poverty and the poverty of culture

So how does the issue of poverty come into the world of the global and of the universal cultural consciousness?

World Bank President, Jim Wolfensohn addressed that in referring to the Comprehensive Development Framework (CDF) and to the voices of the poor project. The latter, I hasten to add, is not to get the Bank to know about poverty, but to get the poor to have a voice in the debates that concern them. The discipline that it brings to the thousands of international specialists working on different aspects of the development challenge is a welcome development and a necessary counterpart to the adoption of a more holistic paradigm of development.

Minister Dini reminded us that globalization that has the potential to both unite and divide, and that culture lies at the heart of growth and community participation. Both Minister Dini and Jim Wolfensohn have eloquently argued these points also in the excellent op-ed piece in the International Herald Tribune of today. And in it, they quote the moving words of Nobel laureate Wole Soyinka, who states:

Culture is a matrix of infinite possibilities and choices... from (which) we can extract arguments and strategies for the degradation and ennoblement of our species, for its enslavement or liberation, for the suppression of its productive potential or its enchantment, for the stagnation of social existence or its renewal.

But Jim Wolfensohn’s approach was really about linking what we do on the issues of culture to the overarching goal of reducing poverty. The World Bank in the interventions of Ian Johnson, Vice President, The World Bank, and the discussion seminar he led articulated that link back to the overall work of the Bank. Jim Wolfensohn in his second intervention yesterday clarified that while the Bank is not going to copy or replace UNESCO or the Government of Italy, it was indeed changing direction. This did not mean that every project would be a culture project but that every project should be sensitive to culture. It was he said “like breathing in and breathing out”.

Poverty and inequality

Poverty—the most deadly and prevalent of all diseases, as Eugene O’Neill said, is the bane of our existence. It is not a necessary corollary to capitalism. The father of capitalism, Adam smith, in 1776 said: “No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable”.

It continues to baffle those who expect growth to eliminate it automatically.

Over a century ago, progressive voices like Henry George were saying: “The association of poverty with progress is the great enigma of our times—it is the riddle which the sphinx of fate puts to our civilization, and which, not to an-
Our heritage at risk

The heritage: what is it? and why is it important? These questions permeated many of the discussions in the corridors and served as subtext to some of the thematic groups.

But it behooves us to remember that the present is but a link between the continuity of the past into the future. That our actions yesterday and today are putting at risk some of the best exemplars of past achievements, witnesses to defining moments of our past. Today, diversity is being assailed by some homogenizing aspects of globalization, and the future is uncertain for many. But it will be our challenge to honor the past, celebrate the present and at the same time create the necessary "space of freedom" for the creation of the new.

Hernan Crespo-Toral, Assistant Director General of UNESCO, gave us a global overview of the many threats that put our heritage at risk. Pollution, inadequate attention, inappropriate development patterns, excessive commercialization, are all part of the litany of ills that plague our current world. B.P. Singh, of the Government of India and currently the Executive Director at the World Bank, showed how theseills played out at the regional scale, using the pollution of the Ganga as an example. These situations are not very different from those found elsewhere in the world, as was demonstrated by Abdelbaki Hermassi, Tunisia's Minister of Culture, who also spelled out the need to ensure that revenues from cultural tourism are plowed back into research, restoration, and rehabilitation.

Celebrating Diversity

At a time when we are writing into international law the need to protect the biological diversity of the planet, surely the protection of the cultural diversity of the human family must be seen as more important than ever. I was delighted to see in many of the meetings of this gathering the celebration of this diversity in the participants who came from all over the world, as much as in the case studies presented.

Today we must strive to ensure the celebration of this diversity and the protection of its past exemplars, as much as the provision of opportunities for the contemporary expression of its adherents. This challenge was, I believe, well represented in the materials distributed at these proceedings and in the discussions of the thematic groups.

Empowerment of the Poor

One of the unique features of this gathering was the constant concern that ran like a common thread throughout the proceedings that the work being discussed must be linked back to concern with the poor and the efforts at poverty reduction. This found eloquent expression in the interventions of Jim Wolfensohn, echoed in Ian Johnson's talks and in the work of thematic group number three on cultural economics, identity and poverty reduction, ably led by Tia Duer and Mike Walton.

Understanding The Problematique

Conceptual issues

The economic dimensions of culture

In the broad sweep of history, the capacity of nations to overcome their cleavages, to adopt a forward looking attitude, a questing attitude towards the better and the new. To establish a sense of common trust and common purpose is as important as raising savings rates or investing in education for the development of nations and the well-being of societies. That is the role of culture
in development. Under the able chairmanship of
Minister Faisal al-Rfouh of Jordan, Prof. David
Landes addressed these questions and chal-
enged the conventional models of interpretation
of country economic performance, provocatively
asking about toxic cultures and the need for
change in cultural frameworks, and Mario Rietti
of Honduras gave us a special perspective on the
phenomenon as he saw it from the central Amer-
ican region.

Beyond the conceptual, there has been much
work to date on the analytical foundations of the
economics of investing in culture, both as preser-
vation of heritage, and investing in contempo-
rary expression. Many are addressing these
issues both here and elsewhere. David Throsby
and Paul Streeten provided us with an interest-
ing overview of the issues. My own monograph
on investing in Historic cities addressed similar
issues, and the methodological questions that
must be covered to quantify the unquantifiable
and to value the invaluable remains a daunting
challenge to practitioners everywhere.

Some of these themes found their reflection in
the presentations and debate in a number of the
Discussion groups, notably those led by
UNESCO and ICCROM, which addressed the
following:

- Valuing Cultural Assets;
- Measuring Culture and Development: Pros-
  pects and Limits in Constructing Cultural In-
  dicators; and
- Investing in the Tangibles and Intangibles in
  Intercultural Dialogue.

These papers all addressed the broad aspects
of culture on economic performance, or the man-
ner in which the calculus of economics could be
brought to bear on the evaluation of investments
in the realism of culture. Themes that were sub-
sequently picked up in Thematic Working
Group 3 on Cultural Economics, Identity and
Poverty Reduction, led by Tia Duer and Mike
Walton of the World Bank, and by Thematic
Working Group 7 dealing with “Valuing heri-
tage—Beyond Economics” led by Marc Laenen
of ICCROM.

But these broad discussions did not fully cap-
ture the possible positive impact of the bold and
visionary gesture. Luckily, we were treated to an
exceptional example of the impact of a great
work of art on the economy and the identity of a
region—Frank Gehry’s Bilbao Museum was pre-
sented by Juan Ignacio Vidarte, Director Gen-
eral of the Guggenheim Bilbao. An important
reminder that the soaring human imagination
can actually change the conditions that govern
the conventional views of the dismal science.

Identified The Actors:
If there is to be action on the ground in promot-
ing culture in development, then a multitude of
actors must be identified and involved. These in-
clude, among others, the following:

- Governments, both national and local;
- Academia;
- International agencies;
- The international civil society;
- The private sector, both micro and SME and
  large, both national and international;
- Banks and institutions of finance;
- Foundations;
- The local communities;
- NGOs; and
- Artists and the intelligentsia.

The key, however, is to recognize that each has
a distinct contribution to make and that they all
need each other’s contribution to have the de-
sired impact.

Representatives of each of these actors were
heard in these proceedings. Notably, we were
lucky to count in our midst the contributing pres-
ence of eminent persons from the “third sector”,
the foundations. Well known in the US, these in-
struments of cultural and developmental action
are not as well-established elsewhere.

Victor Sa’Machado, President, Gulbenkian
Foundation, Portugal, and Martine Tridde,
Secretary General of the Paribas Foundation of
France, and Stefano Bianca of the Aga Khan
Trust for Culture, all brought the special perspec-
tive of the benevolent foundations to enrich our
debates from historic cities to cultural tourism,
from museums to heritage sites, from capacity
building to gauging carrying capacity.

Explored The Approaches
Under this theme we spent most of our time:
what works, where and why? These valuable les-
sions of experience enriched the debates with
their realism and the inspiration they bring to
others to achieve their own successes.

Particularly relevant in this area were the loca-
tion specific experiences discussed in Thematic
Working Group 5 on Cultural Conservation in
East Asia, with special thanks to Geoffrey Read, or the institutional aspects covered by Thematic working Group 8 dealing with Museums: Conservation and Management of Cultural Heritage, organized by CIVITA, with special thanks to Nícolo Savarese and Albino Ruberti.

If I may be allowed to tie them all together here, I would say that they highlighted that all success stories seemed to have in common at least the following:

- Policies
- Private sector investment
- Participation
- People

Let me say a brief word on each.

Policies for Culture in Sustainable Development

Doubtless good intentions are not enough. The talent of the artists, the memory of the many, need a policy framework that encourages honoring the past, celebrating the present and inventing the future.

We were privileged to have the views of some of the world’s leading practitioners and decision-makers on the issue of culture and developmental activities at the national and regional levels.

Ivan Caramitru, Minister of Culture of Romania, himself an actor and creative artist who reinterprets Shakespearean Drama to elicit a contemporary and, dare I say, revolutionary, resonance, set the stage for Minister Sheila Copps, who launched an international movement of cultural ministers concerned by the need to maintain the cultural identity of their peoples in the face of overwhelming globalizing trends, reminded us that culture is more than arts, and that cultural industry employment grew 32 percent in one decade while population grew only 12 percent.

Kurt Biedenkopf, Minister President of Saxony, Germany, is the architect of a unique transformation that has catapulted his Länder to the 21st century in terms of technology, but has also taken great care to root this transformation in the cultural identity of this region.

While Susan Waffa-Oggo, Secretary of State for Tourism and Culture of the Gambia, spoke movingly of the role of women and of the challenges of preserving cultural heritage in countries with enormous fiscal stringencies.

Thus making space for the private industries was important, all themes taken up again in Thematic Working Group 9 on Cultural Policy and Sustainable Development: a New Partnership, ably managed by the Council of Europe’s Vera Boltho.

Financing, implementation and the role of the private sector and different actors

Perhaps what set this conference apart from many other efforts on the topic of culture and development is the determined focus on the issues of implementation and financing. Certainly we did not want to meet just to assert once more time that culture is important. We wanted to find new ways to build partnerships, new ways to engage the different actors and to design financing mechanisms that would engage the private sector, communities, and the international community as never before.

In this logic, we had to define the interests and values of culture in the economic and developmental language of the Multilateral Development Banks. In this endeavor, Undersecretary of Treasury Natale d’Amico of Italy, chaired a panel of leaders from the international financing agencies, including Antonio Maria Costa, of the European Bank for Reconstruction and Development; Peter H. Sullivan, Vice President of the Asian Development Bank; Henock Kifle, of the African Development Bank, and Eduardo Rojas of the Inter-American Development Bank. They all shared some basic points, among the following:

- The need for a link between the poverty impacts and the investment being pursued;
- That the private sector should be a prime investor in such projects;
- That tourist revenues, while very important, could not be the only benefit stream ascribed to the projects being concerned; and
- The involvement of the local community was a must.

This indicated that an emerging consensus on the approach to follow was being forged. It augurs well for the funding of such activities in the future. Indeed, as cultural activities become more mainstream in the palette of international funding, this will also lead to the improvement of the fiscal frameworks and greater involvement of the private sector in such investments. More on this later.

In addition, the cultural impact of development on civil societies and indigenous culture were key themes in the points raised by both Ian Johnson, who called for special attention to these
aspects in preparing and implementing projects funded by the World Bank.

Bilateral development agencies were also vividly represented by Senator Rino Serri of Italy, Fulvio Massard of Switzerland and Professor Michael Bohnet of Germany. Of course, Italian Bilateral assistance had pride of place in Thematic Working Group 1. In all cases they presented views on the Development Impact of Programs and Projects on Culture. Their concern with identifying Prototypes and Best Practice fit well with our desire for pragmatism and action-orientation.

A counter point to their perspective was delivered by the eminent Najah El-Attar, Syria’s Minister of Culture, and Carlos A. Moneta, Secretary of the Latin American Economic System (SELA). For them the issues were not so much the measurement of identifiable impacts from a donors perspective as it was to the ability of the developing countries to find in their own identity the seeds of renewal and future development.

Mohammed Abdellah Belghazi, of the Museum Belrhazi, of Rabat, Morocco, and Margarita Guttman of the Instituto Internacional de Medio Ambiente y Desarrollo (IIED) of Buenos Aires, Argentina, also reminded us that whether museums or exhibitions, the outreach is combined with the dual responsibility of access and conservation.

In the spirit of this innovative conference, we heard amply from the world of foundations and the private sector, thus Thematic Working Group 10 on Culture and Private Sector Support, organized by Arts and Business, and our friend Colin Tweedy, emphasized the need for a clear language with the private sector and the need for win-win designs, for which case study materials are urgently needed. Indeed on the clarity of language and simplicity of institutional design, I would remind the culture specialists among the participants that:

Simplex sigillum veri — The simple is the seal of the true; and

Pulchritudo splendor veritatis — Beauty is the splendor of truth.

We do not have to change our concerns to be simple and direct with the private sector. It is the essence of our classical cultural tradition to be simple and to find beauty in simplicity.

From this dialogue, we can indeed hope to mobilize Resources for Culture in a Multicultural Society. We had the occasion to learn of the perspective and experience of the private Sector and Foundations through the interventions of Umberto Agnelli, President of IFIL, Italy; Gianfranco Imperatori, President of Mediocredito Centrale of Italy; and Fields Wicker-Miurin of A.T. Kearney Financial Institutions Group of the UK.

But what about the people? The community where the heritage is found? Here, the community and its needs, as well as its role in development found eloquent expression in the special discussion group led by the Council of Europe, Canada, and the Open Society Institute.

And in terms of the overall framework to address the long-term aspects for future generations, and the sustainability of finance, we were treated to a very evocative discussion under the heading of “Cathedrals for Environment”. Thematic Working Group 2, Financing Culture and Nature for Generation to Come, was ably led by Maritta Koch-Weser of the IUCN, who reminded us of the long-term perspective that must be taken for some of the problems we are dealing with, a theme already touched on in an earlier discussion when she had called for a “Cathedral and Environment Compact” in the quest for Sustainable Finance.

Participation

Thematic Working Group 15 Supporting Cultural Enterprises for Local Development, organized by the Ford Foundation’s Damien Pwono, and in the reporting out reminded us of the barriers of language, of space, of understanding that have to be overcome, and called for research in cultural entrepreneurship—an important concept for this conference.

The Discussion Group on Private and Public Sector Partnership for Community Development, Organized by the Government of Canada and the Council of Europe

People

Participation and the attention to indigenous people was the focus of Jorge Uquillas of the World Bank, who used examples from LAC to make the case, and was again an important point reemphasized by Ian Johnson this morning.

All of this was embedded in the broader context seen from the perspective of developing countries and economies in transition.
Fahrudin Rizvanbegovic, Federal Minister of Education, Science, Culture and Sport, of Bosnia and Herzegovina; N'Goran Niamien, Minister of Economy and Finance, Cote d'Ivoire; and Arjun Appadurai, Anthropologist, India, all highlighted concerns about the constraints on resources for culture, and the potentially negative side effects of tourism and other development projects. Mpho M. Malie, Minister of Trade, Industry and Marketing of Lesotho, specifically called the absence of attention to culture the Achilles heel of development investments.

And yet, despite concerns and false starts, of these many instances of collaboration, these many efforts at finding new and innovative ways of promoting culture in the realm of development, we can discern some emerging best practices. These were highlighted by the case studies in the thematic group discussions.

All of these points were echoed in various ways in the evening lecture of Alessandro Bianchi of the Italian Central Restoration Institute (ICR) and Angelo Guarino of the Italian National Research Council (CNR), who gave us a masterful overview of the State of Knowledge in Cultural Management.

The Lessons Of Experience And Emerging Best Practices

Franco Passacantando, Italy's Executive Director at the World Bank, and Bonnie Burnham of WMF, presided over the review of the summary presentations to the plenary by the Thematic Working Groups on initiatives to advance knowledge, capacities, economic analysis, and the financing of culture and cultural heritage in sustainable development.

This morning, Bonnie Burnham, did a tour de force summation, which I will not try to replicate. And while I have already referred to some of the points raised by some of the Thematic Working Groups and the earlier Discussion Groups, I would be remiss if I did not mention here some particular aspects that deserve being recalled at this juncture.

Thematic Working Group 12, 13 and 14 ably articulated by Arlene Fleming; provided some specificity on the issues of Financing Cultural Site Management, with specific mention of the Parks Canada experience and the methodological aspects of the Petra investment analysis. Growth and Culture in Urban and Regional Proximity Organizers, organized by the Interarts Observatory, with thanks to Eduard Delgado and Y. Raj Isar; and the technical and financial aspects of dealing with the Architectural heritage, ably handled by ICOMOS' Giorgio Croci, Jean-Luis Luxen, and J.M. Ballester. These all dealt with the physical heritage.

The non-physical aspects were not overlooked, and special mention must be made here of the discussions on Archives were treated in Thematic Working Group 16 Organized by Carolle Carr and Elisa Liberatori-Prati. Thematic Working Group 11 also dealt with Communication and Education; all organized and presented by Scuola Normale Superiore di Pisa, Soprintendenza Archeologica di Pompei, MEDICI Framework, European Commission, and Istituto Centrale per il Restauro.

But unique aspects were also not ignored. Millennium Commissions were addressed in Thematic Working Group 4, organized by Ellen Lovell and Caroline J. Croft, of the White House.

All in all, an amazingly rich amount of experience was shared.

Quo Vadis? Towards A Vision For The Future:

The work in progress was reviewed in detail in many many separate thematic discussions. This morning, Bonnie Burnham, President, World Monuments Fund, reviewed the many valuable points that came out of the Thematic Working Groups discussions. I will not repeat here what they just covered a little while ago, but, I think that you will all agree that it is most encouraging to see how much progress there is and how much good will to pursue the networks and collaborative arrangements that have been forged here in the last few days.

Not wishing to leave the future to the mechanics of specific projects and pragmatic arrangements, we were delighted to see a paper on our work in progress developed by the Government of Italy and UNESCO. The discussion of that paper was most ably led by Gianfranco Facco Bonetti of Italy, who us that the priority of priorities was to agree on a shared agenda, and to be imaginative in the design of arrangements for the cultural industries and venture capital. both tangible and intangible. Hernan Crespo-Toral of UNESCO made the case for the UNESCO perspective.

Ian Johnson of the World Bank presented an overview of the role of Culture in Sustainable
Development, reiterating Jim Wolfensohn's holistic vision and the need for involvement of the people concerned.

Conclusions

So we come full circle to close where we began: the centrality of culture to development, and how to mobilize the resources to turn vision to reality.

A few moments ago we were treated to the vision of Senator Patrizia Toia, Undersecretary of State for Foreign Affairs of Italy; Federico Mayor, Director General of UNESCO; and Hillary Rodham Clinton, First Lady of the United States of America. They truly inspired us, and I think that you will all share my appreciation for the first lady's vivid and moving manner of presenting her views on these topics.

I shall not summarize what they just said, but I would like to emphasize that for the three main organizers—the Government of Italy, the World Bank and UNESCO—we believe that much ground was covered. The key messages that emerged from these incredible days of discussion are intertwined and include the following:

- Culture is not just the material culture but all the dimensions that make us human
  - Diversity and pluralism are essential—there is a long-term value to sustainable pluralism
- The cultural dimensions of development—not just an instrumental view of culture (i.e. culture in order to promote development)
  - We have a vision, but we must translate it into action
  - Action requires participation of all actors, not least the persons concerned.
- Involving all the actors will vary from place to place and topic to topic, but we can see emerging in this very hall a coalition of the caring
  - We need to agree on a priority agenda for action for this coalition

Looking back at the origin of the World Heritage Convention, I am reminded of the moving moments that marked the milestones to the idea of global responsibility for culture.

Four decades ago, Vittorino Veronese, then DG of UNESCO, launched an appeal for saving the Nubian monuments at risk from the rising waters of the High Dam in Egypt. On the 8 March 1960, French culture minister and literary giant Andre Malraux responded eloquently with a vision of the future of culture and the universality of our heritage.

In a soaring speech that only Malraux, master artisan of the French language, could produce, he reminded the world of its responsibilities. The universal heritage of humanity, the cultural treasure that transcends death and time itself, bearing witness to the noblest achievements of the human spirit, linking us across space and time to celebrate the unity of all human achievement, the indivisibility of the world of the living, the spirit of the past and the promise of the future.

These were not empty words. The Nubian monuments were saved. This first effort led to other campaigns, for Venice, for Borobudur, for so many more. Above all, it led to the creation of the formal World Heritage Convention adopted by UNESCO's general conference in 1972. Vision can be turned into reality. Today, as we are about to enter the new millennium, is it not time to re-dedicate ourselves to the noble vision of Veronese and Malraux? Is it not appropriate that in this time of speed and technology we reaffirm our commitment to the noble mission of honoring the past, celebrating the present with all its bewildering diversity, and creating the space of freedom where the artists and creative minds of today can invent the future?

I hope that we can all take a small step in that direction.

Envoi:

Much of what we have covered in these days is about vision, and about turning vision into reality. About how to tackle the unimaginable challenges and the enormous potentialities that the cultural dimension brings to development, and how we can find ways of financing the changes necessary for such creations.

This kind of pragmatism is not to be decried. It is to be celebrated. For this is the vision that gets transformed into reality. It is the kind of vision that Walter Lippmann described when he said:

We make our vision, and hold it ready for any amendment that experience suggests. It is not a fixed picture, a row of shiny ideals which we can exhibit to mankind and say: Achieve these or be damned. All we can do is to search the world as we find it, extricate the forces that seem to move it, and surround them with criticism and sugges-
tion: Too far ahead there is nothing but your dream; just behind, there is nothing but your memory. But in the unfolding present, people can be creative if their vision is gathered from the promise of actual things.

(Walter Lippman, *Drift and Mastery*)

And so, as we part company and I am forced to bid you all Godspeed, I say that we have all been enriched, nay, transformed by these magical days of interaction, reflection, exploration and learning. We all go back to our tasks, to our quests, and in the words of T. S. Eliot:

We shall not cease from exploring,
And the end of all our exploring,
Will be to arrive where we started,
And know the place for the first time.

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**Giovanna Melandri**

**Minister of Cultural Heritage and Activities**

**Italy**

**CLOSING REMARKS**

It is a great honour for me to thank, on behalf of the Italian Government, all of you that so actively have participated at this Conference. I would really like to underline the hope and the good news that have emerged in this Conference that now we are about to close. For the first time the international institutions talked about culture and economic growth together. And the word that I really want to underscore is *together*.

La novità della Conferenza di Firenze sta nel fatto che qui non si sono riunite solo le istituzioni che per competenza o per mandato internazionale sono abitate a lavorare nel settore della cultura. Per la prima volta, anche tante istituzioni internazionali e Autorità governative che si occupano di sviluppo economico hanno parlato di cultura e del modo in cui essa può far parte a pieno titolo di una strategia tesa a promuovere uno sviluppo sostenibile. Sostenibile, innanzitutto, sotto il profilo umano. Hanno cominciato a lavorare sulle metodologie di intervento. Hanno compiuto i primi passi per verificare le possibilità di coordinamento e di azione congiunta.

Per la prima volta, i responsabili delle politiche culturali di decine e decine di paesi hanno avuto l’opportunità non soltanto di incontrarsi fra di loro, ma di incontrare le Banche di Sviluppo, le istituzioni multilaterali, i Ministri del Tesoro e delle Finanze, i responsabili delle agenzie di sviluppo.

Come rappresentante della categoria dei Ministri della Cultura, lasciatemi dire che questo è un fatto davvero eccezionale. Anzi, permettatemici di rivolgerci direttamente ai 40 Ministri della Cultura che in questi giorni sono stati presenti alla Conferenza. Oggi, cari colleghi, il nostro ruolo all’interno dei Governi non è certamente pari a quello dei ministri dell’economia. Ma un domani potrebbe non essere più così.

La valorizzazione del patrimonio culturale dei nostri Paesi può essere motore di crescita economica e di sviluppo sociale. L’Italia, che dispone di un patrimonio di ricchezze straordinario lo ha capito ed oggi vuole condividere con voi questa consapevolezza e questo impegno.
Fra ambienti della cultura e ambienti dello sviluppo economico non è facile incontrarsi e lavorare insieme, anche all’interno di ciascun paese. Troppo spesso, e penso ai paesi più sviluppati, il settore culturale viene scarsamente coinvolto nelle scelte che riguardano i processi di sviluppo economico. Ciò comporta un duplice rischio: da parte del settore culturale, quello di chiudersi in sé stesso, in un universo chiuso in cui diventa impossibile crescere e cogliere tutte le opportunità; da parte del settore economico, quello di non riconoscere le potenzialità e il ruolo delle risorse culturali nei processi di sviluppo economico e di coesione sociale.

La Conferenza di Firenze ha aperto una strada. Una strada lunga, che va ancora interamente percorsa, ma sulla quale in questi giorni abbiamo mosso i primi, significativi, passi. Voglio ringraziare la Banca Mondiale, il Presidente Wolfensohn e il Vice Presidente Serageldin, per l'impegno che hanno dimostrato e per il stimolo innovativo che questa istituzione è stata in grado di esprimere nei mesi di preparazione della Conferenza. Voglio ringraziare anche l’Unesco, per la cooperazione prestata alla Conferenza e per avere prodotto, insieme con l’Italia, il documento che è stato presentato questa mattina ed è aperto al contributo ed all’integrazione di tutti. Esso non soltanto riassume lo stato della riflessione in materia di tutela e valorizzazione del patrimonio e della creazione culturale, ma pone anche le basi per un vero e proprio piano di azione in tali settori.

E’ l’incontro fra le diverse istituzioni internazionali e le diverse autorità nazionali, il loro lavoro insieme guardando al futuro, che ha fornito un “di più” ai lavori di Firenze. Se, come dicevano il poeta latino Giovenale, “l’oscurità del futuro è la maledizione del genere umano”, anche grazie al lavoro di questi giorni abbiamo contribuito a rischiare la strada che conduce al futuro dei nostri Paesi, un futuro sostenibile che non dimentichi, ma anzi valorizzi—nel villaggio globale—le radici culturali di ognuno.

Il Governo italiano ha sostenuto e continuerà ad appoggiare con convinzione questa direttrice di lavoro. E’ una convinzione che nasce, per quanto riguarda il passato, dalla tradizione culturale italiana e dall’esperienza che abbiamo nel campo della conservazione del patrimonio e della promozione delle attività culturali. E del talento.

In futuro, ne sono convinta, lo sviluppo economico vedrà sempre più aumentare l’importanza delle componenti legate alla crescita culturale. E sono convinta che questo sia vero non solo per i paesi più avanzati—che già da tempo hanno compreso l’importanza delle caratteristiche knowledge based dei processi di sviluppo e possono permettersi di dedicare ingenti risorse su queste direttive—ma soprattutto per i paesi in via di sviluppo, in cui l’esistenza di grandi emergenze sui beni primari e la carenza di risorse fa sì che si possa più facilmente mettere in secondo piano l’azione volta allo sviluppo della cultura e delle infrastrutture culturali.

Da queste convinzioni il Governo italiano è partito quando ha proposto, insieme alla Banca Mondiale, di organizzare la Conferenza di Firenze. Quando si parla di sviluppo economico il compito dei dirigenti politici è di essere presbità, e non miopi. Il nostro compito è di promuovere uno sviluppo e di pensare alle generazioni future, a cui abbiamo il dovere di consegnare un mondo in cui le dotazioni ambientali e culturali siano non solo preservate, ma arricchite grazie ai nostri investimenti e al nostro lavoro.

“Il mondo di oggi—scriveva Bertold Brecht—può essere descritto dagli uomini di oggi solo a patto che lo si descriva come un mondo che può essere cambiato”. Essere presbità significa dare avvio oggi ad un’impresa che darà i suoi frutti nel futuro.

Così è stato, quindici anni fa, quando il tema dell’ambiente, della sua conservazione e del suo corretto utilizzo come risorsa produttiva, fece irruzione nella discussione politica internazionale ed anche nelle linee di intervento della Banca Mondiale. Permettetemi un piccola nota biografica. Mi occupavo allora, per una organizzazione governativa del mio Paese, la Legambiente, di politiche ambientali. Ricordo bene che l’idea di introdurre la nozione di “sostenibilità ambientale” parve un vincolo incompatibile rispetto all’obiettivo dello sviluppo economico.

Successivamente, le istituzioni internazionali cominciarono ad aprire gradualmente le loro procedure all’intervento in campo ambientale—creando apposite facilities e stimolando i canali bilaterali. Col procedere dell’esperienza, vennero messi a punto criteri, procedure e metodologie adeguate, mentre i riflessi della discussione politica si manifestavano nel miglioramento delle leggi dal internazionali. Oggi, l’intervento in campo ambientale, sia diretto che indiretto, è diventato uno dei perni
delle politiche di cooperazione allo sviluppo, e ha vasti effetti non solo nel campo delle infrastrutture ambientali, ma anche in quelli dell’industria, dell’agricoltura, dello sviluppo urbano, della qualità sociale.

E la banca Mondiale stessa, con la creazione del Global Environmental Facility apriva una nuova strada al finanziamento di progetti ambientali. Non lo voglio negare, io ero all’epoca tra quelli che guardavano con sospetto e scetticismo a questa linea di intervento della banca che poteva apparire come un maquillage sull’ordinaria gestione della banca. Oggi a distanza di anni devo riconoscere che invece se mai un errore fu compiuto, fu quello di non contigare da subito ambiente e cultura nella linea di azione del GEF.

Ma oggi, da Firenze, possiamo lanciare una nuova sfida.

Così come è stato per l’ambiente negli ultimi quindici anni, negli anni che apriranno il terzo millennio, dobbiamo lavorare per riconoscere e utilizzare in modo adeguato il legame fra cultura e sviluppo economico.

Dobbiamo far sì che la cultura—quella dei secoli trascorsi e quella della nostra contemporaneità—attragga la stessa attenzione e la stessa mobilitazione internazionale conquistata dall’ambiente.

Dobbiamo fare evolere le prassi istituzionali, a livello nazionale e a livello sovranazionale, in modo da creare un nesso fra ambiente e cultura, partendo dall’esigenza comune della tutela e della conservazione.

Dobbiamo riconoscere il potenziale di impatto produttivo e occupazionale e di coesione sociale implicito in una crescita sana ed equilibrata delle attività legate al patrimonio e alla creatività culturale.

Dobbiamo avviare una fase di start-up, di costruzione di esperienze pilota, di scambio delle migliori pratiche.

Dobbiamo potenziare gli strumenti di intervento della cooperazione multilaterale e bilaterale; rafforzare il partenariato fra i soggetti, nel mondo delle istituzioni culturali e nel mondo dello sviluppo economico.

Sono queste le non poche cose che dobbiamo e possiamo fare. Su tutte queste direzioni di lavoro, possiamo ben dire che usciamo dalla Conferenza di Firenze arricchiti, con nuove idee, con più chiarezza. E’ emerso chiaramente in questi giorni, ad esempio, che la cultura offre opportunità di sviluppo e di occupazione tangibili, il cui impatto è misurabile sia nell’immediato che nel lungo periodo. La gestione del patrimonio, inoltre, oltre ad arricchire in modo permanente l’offerta di servizi di elevata qualità, è in grado di esercitare un forte impatto sullo sviluppo territoriale, attraverso il turismo e, più in generale, attraverso la qualità del territorio e del paesaggio. E vorrei dire la qualità di vita delle persone.

La conservazione del patrimonio culturale attiva, infine, una filiera produttiva di grande interesse sia per l’utilizzo di tecnologie e professionalità tradizionali, sia per l’introduzione di nuove tecnologie e per il contenuto delle attività di ricerca che diventano necessarie.

Nell’era della rivoluzione digitale, infatti, anche la cultura può essere scomposta in pacchetti di bit da far viaggiare sulle Autostrade della Comunicazione. Se, grazie alla Rete, si moltiplicano i canali di distribuzione da parte dei media, si moltiplica la libertà di scelta, si va incontro all’esistenza di gusti e propensioni differenziate e, al tempo stesso, si moltiplica la domanda di contenuti da far circolare nelle Autostrade dell’informazione.

Vorrei fare un solo esempio al riguardo: la world music, che all’inizio poteva sembrare l’esito di una ricerca antropologica senza reali sbocchi economici, si è presto trasformata in un autonome genere musicale contemporaneo, con la sua industria, i suoi prodotti, il suo pubblico, i suoi profitti.

Ma dobbiamo ricordarci che potrà circolare sulle Autostrade dell’Informazione solo quel contenuto culturale che saremo in grado di tutelare, raccogliere, conservare e far conoscere. Non deve sfuggire a nessuno, infatti, il pericolo che su queste produzioni possa accumularsi, a danno dei paesi meno sviluppati, un divario che rischia di diventare ancora più grave di quelli che ben conosciamo relativi ai beni e alle infrastrutture di base. Questo divario è un’ipoteca pesante sulle chances di sviluppo umano ed economico di una larga parte del mondo.

In questi giorni abbiamo imparato che cultura e sviluppo economico stanno insieme non solo perché lo sviluppo è influenzato da fattori culturali ma anche perché la cultura può diventare vodafone per nuove attività, nuove professioni, nuova occupazione. Le risorse per la cultura non hanno quindi solo l’obiettivo di consolidare il settore culturale in senso stretto, ma possono ambire a più generali obiettivi di sviluppo, soprattutto su base locale.
L'Italia, come ben sapete, ha una particolare vocazione in questo senso. Negli ultimi tre anni, il Governo ha ampliato le risorse disponibili per il settore culturale, chiedendo in cambio a questo settore un maggiore coinvolgimento sulla missione dello sviluppo. Con una recente riforma, il Ministro per i beni e le attività culturali è entrato a far parte del Comitato dei Ministri che decidono la programmazione economica. Fondi prelevati dalle Lotterie nazionali sono stati dedicati al patrimonio, con il vincolo di finanziare progetti che permettessero un ampliamento dei consumi culturali a vantaggio del pubblico più ampio. Nelle regioni più arretrate d'Italia sono in corso numerosi progetti—anche grazie al ricorso a fondi dell'Unione Europea—che coniugano il restauro dei monumenti, il recupero urbano, e del paesaggio la rivitalizzazione dei centri storici e la promozione turistica.

Questa nuova politica ha permesso, in pochi anni, di riaprire al pubblico la Galleria Borghese, il Cenacolo Vinciano e la Domus Aurea, la fastosa Reggia di Nerone e di ampliare, in un prossimo futuro, la Galleria degli Uffizi. Ma altre decine di progetti, nel grande “Cantiere Italia della cultura” sono in corso, e ci consentiranno in pochi anni di offrire nuove mete e una migliore accoglienza ai visitatori di tutto il mondo che vengono in Italia per scoprire una delle culle della civiltà europea e mediterranea.

Forte di questa esperienza, l'Italia appoggia in modo convinto i paesi e le istituzioni impegnati nella conservazione del patrimonio culturale. Ma per vincere questa gara non bastano buone gambe, occorrono cuore e cervello. Come abbiamo imparato in questi giorni, non si tratta solo di aumentare le risorse finanziarie. E' altrettanto necessario definire le metodologie e le tecnologie adeguate — che variano in funzione delle tradizioni di ciascun paese — così come formare il personale specializzato. E' necessario completare i cataloghi e favorire la ricerca. E' necessario coinvolgere impegno e fantasia ed investire non solo sui luoghi di maggiore attrattività turistica, ma anche sulle strutture che preservano la memoria della storia e delle civiltà, come gli archivi e le biblioteche.

In ognuna di queste direzioni, l'Italia è parte di numerosi progetti di cooperazione insieme a paesi in via di sviluppo, da quelli più strettamente scientifici a quelli di formazione, a quelli di restauro e conservazione. Abbiamo fatto la scelta di destinare una quota significativa delle nostre risorse della cooperazione allo sviluppo a progetti per il patrimonio e la cultura.

L'Accordo di Partenariato firmato dalla Banca Mondiale e dal Governo italiano negli scorsi mesi è un segno di tale scelta e ha reso possibile, quale primo risultato tangibile, l'organizzazione di questa Conferenza. Esso ha inoltre permesso l'insediamento della Task Force incaricata di individuare gli ambiti di collaborazione tra l'Italia e Banca Mondiale nel settore del patrimonio culturale. Sono grata, a tale riguardo, al Ministro degli Esteri, Lamberto Dini, per aver subito messo a disposizione della Banca Mondiale, sul Trust Fund appositamente costituito, la somma di cinque miliardi di lire per l'avvio del programma di collaborazione previsto dall'Accordo.

Si tratta di un primo stanziamento, al quale altri seguiranno già nel corso del prossimo anno, e che, mi auguro fortemente, saranno affiancati da analoghi finanziamenti da parte di altri Paesi donatori. La partnership tra l'Italia e la Banca Mondiale è, infatti, aperta a tutti coloro che credono nel ruolo della cultura nei processi di sviluppo sostenibile.

Da parte mia, desidero confermare che il Ministero dei Beni e delle Attività Culturali è pronto a fornire il suo contributo a questo sforzo comune, non soltanto attraverso la piena disponibilità delle sue competenze professionali, che sono già entusiasticamente partecipi dell'impresa, ma anche mettendo a disposizione della Task Force adeguati locali situati in un edificio storico di Roma.

Non è sufficiente, però, lo sforzo — per quanto grande — di singoli paesi o di istituzioni meritorie. Ci vuole un cambio di visione. Ci vuole una nuova consapevolezza. Ci vuole un'agenda internazionale che introduca l'intervento in campo culturale fra le politiche condivise. Ci vuole una moltiplicazione degli sforzi e del coordinamento, fra le istituzioni internazionali e fra gli Stati.

Come caratterizzare questa nuova agenda? In questi giorni, la Conferenza ha risposto a molte delle domande da cui eravamo partiti. Tornando a casa vorrei che noi tutti portassimo con noi una sorta di decalogo con cui partiamo da Firenze per continuare il nostro lavoro. Ecco:

- Primo. Qualsiasi azione in campo culturale deve rispondere a due criteri etici fondamentali. Usando le parole di Amartya Sen, la prima sfida per l'azione culturale è l'accessibilità, e cioè la capacità e la possibilità per tutti di poter comprendere e godere i frutti della cultura. La
seconda sfida è che il dibattito culturale sia pubblico e democratico, in modo che a tutti sia concesso il diritto di esprimere le proprie preferenze. Sulla cultura, insomma, si gioca senza mediazioni l'etica dell'uguaglianza di opportunità e l'etica del pluralismo.

- Secondo. L'azione in campo culturale non può limitarsi solo allo stanziamento di risorse finanziarie per specifici progetti. È' preliminare la costruzione di infrastrutture giuridiche e amministrative adeguate. Soprattutto nel campo del patrimonio, l'obiettivo della valorizzazione non può essere perseguito se, prima, non vengono effettuate l'identificazione del patrimonio, la catalogazione, la sorveglianza, la manutenzione, il restauro, la formazione delle professioni culturali.

- Terzo. Sono molti e diversi i modelli istituzionali nel campo delle politiche per il sostegno della cultura. I soggetti in campo sono quattro—lo Stato, i governi locali, il settore non profit e il settore privato—e ciascun paese presenta un mix variabile di queste quattro componenti. Il lavoro di institutional building deve partire dalle tradizioni di ciascun paese e fornire lo spunto per un proficuo scambio di esperienze.

- Quarto. La cultura è, dal punto di vista economico, un bene misto. Presenta componenti pubbliche, componenti meritorie e componenti private. Questa caratteristica va tenuta ben presente sia nel lavoro di costruzione istituzionale, sia in quello di organizzazione dei progetti d'intervento. La componente privata è quella più facilmente assoggettabile alle procedure di valutazione proprie delle banche internazionali di sviluppo. La componente meritoria chiama in causa il settore non profit. La componente pubblica va coperta con un sistema di tassazione efficiente e con l'intervento delle donazioni internazionali.

- Quinto. La natura mista dei beni e delle attività culturali e l'obiettivo del pluralismo consigliano che l'intervento in questo campo avvenga coinvolgendo attori e soggetti diversificati, seguendo il metodo del co-finanziamento. Vengono così ridotti i rischi a carico di ciascun finanziatore, e si ha la base per un efficace monitoraggio delle realizzazioni.

- Sesto. L'intervento sul patrimonio culturale non si deve limitare a pochi siti puntuali, ma deve coinvolgere la gestione del territorio e la salvaguardia del paesaggio. In Italia, tra meno di sette giorni, discuteremo proprio di questo nella Prima Conferenza Nazionale sul Paesaggio.

- Settimo. Accanto al patrimonio architettonico, archeologico e museale, non vanno sottovalutate le altre attività culturali, che hanno legami non solo con la conservazione della memoria ma anche con la sua valorizzazione all'interno di una moderna industria dei contenuti. Penso ai libri, alla musica, alle arti visive, allo spettacolo dal vivo e alle infrastrutture che consentono alla creatività culturale contemporanea di potersi esprimere. Quella creatività che è un antico potente all'esclusione sociale e ai processi di degrado.

- Ottavo. La globalizzazione dell'economia e l'aumento degli scambi culturali non generano in modo automatico un processo di convergenza. Nulla ci assicura, in altri termini, che le identità e le culture di ogni paese siano preservate, e che dappertutto si consolidino e crescano le attività e le industrie collegate alla cultura. Il pericolo di marginalizzazione delle culture locali è reale e va efficacemente contrastato. Ma non si tratta di un pericolo da affrontare bloccando la circolazione della cultura, quanto piuttosto promuovendo in modo attivo e consapevole l'espressione culturale di ciascun paese e favorendo le sue ricadute industriali e produttive.

- Nono. Gli accordi internazionali in materia di beni, di servizi e di investimenti devono tenere conto delle specificità del settore culturale, dei suoi prodotti e delle sue attività. Questo è certamente un argomento controverso, ma sono convinta che esso meriti più di una riflessione, anche in seguito alla Conferenza di Firenze e pensando al prossimo Millennium Round.

- Decimo. Accanto all'azione diretta in campo culturale e a quella che può essere giustificata da obiettivi di sviluppo economico, da Firenze è emerso il grande tema dell'impatto culturale delle politiche di aggiustamento e di modernizzazione strutturale. Come per l'impatto ambientale, sembra affermarsi l'ipotesi che è ancora al primissimo stadio e che necessita di ulteriori approfondimenti—che gli effetti culturali di tutte le politiche di sviluppo vadano controllati e valutati, e che si tenga conto nell'implementazione delle politiche delle possibili azioni di accompagnamento e di contrasto degli eventuali impatti negativi.

L'agenda che abbiamo cominciato a costruire a Firenze non è facile, né limitata. E' siamo tutti consapevoli che le risposte alle molte domande con cui questa Conferenza ha avuto inizio non possono venire soltanto da questi quattro giorni.
di lavoro. Da Firenze inizia un processo. Da Firenze partono molte proposte. Da Firenze nascono nuove iniziative, bilateral e multilaterali, governative e non governative.

Ismail Serageldin, prima di me, ha fornito un quadro molto ricco e interessante dei follow up possibili e di quelli su cui le istituzioni qui presenti hanno manifestato l’interesse ad un impegno diretto.

Per quanto mi riguarda, e per quanto concerne gli impegni del Governo italiano, desidero confermare che l’Italia è pienamente disponibile a farsi parti attiva per favorire la prosecuzione di questo processo. Così come abbiamo fatto a Firenze, l’Italia è in grado di fornire ospitalità e sostegno alle iniziative che muovano da qui. Un sostegno convinto e solidale in cui non ci sentiamo soli, ma parte di una più ampia comunità internazionale che, attraverso l’iniziativa delle sue istituzioni, di altre autorità governative, delle organizzazioni non governative e delle istituzioni culturali, ha intenzione di mettere lo sviluppo culturale al centro dell’attenzione politica per il prossimo decennio.

Sono fiduciosa che altri Paesi saranno pronti ad accettare le sfide lanciate a Firenze e vorran cercare nel nuovo millennio che si apre la strada di uno sviluppo economico che sia, innanzitutto, un mezzo e non un fine. Perché l’uso continua ad essere l’uomo, la qualità della sua vita, la sua ricchezza culturale e spirituale, la sua capacità di vivere in pace. E senza distruggere le risorse del pianeta.

James D. Wolfensohn  
President, The World Bank

CONCLUDING REMARKS

I thank all of you for your interest and attention, and for your passion and concern about culture and development. There may be different views about the interest of the World Bank, what we are doing and what we are not doing. Let me clarify matters.

First, we deeply appreciate the efforts of UNESCO and the Government of Italy. With respect to the Bank’s efforts, we are trying to change the orientation of our institution so as to be more sensitive to cultural matters. We want to place cultural matters in their rightful place at the center of development. That does not mean that every project is a cultural project. But it does mean that every project needs to be sensitive to culture. And that is a very important element of what we are trying to do.

We recognize that we have not been sensitive enough to many things. One of these concerns is our lack of sensitivity to cultural history and to the traditions of the countries in which we operate. There has been a lot of criticism about people coming into countries and designing projects without knowing what they are doing. I am sure that this is true. But it is less true today than maybe it was in the past and our hope is that this will no longer be a concern of client countries in the future.

What my colleagues and I can do is to ensure that in the projects that we have done in the past, where we have had problems, that we will do everything in our power to fix them. And in future projects, we must be sensitive to, and include proper recognition of cultural values and history. These issues must be considered at the time we are designing projects.

This would be a big step forward. It absolutely requires the Bank to engage in a learning experience, and a listening experience, from people in communities, from UNESCO, and from bilateral partners such as the Government of Italy, so that we can improve Bank efforts.

We do have advantages. We do US$30 billion of projects a year—that is a lot of money. If those projects are done with sensitivity, and are made more acceptable, they are more likely to be owned by the people in the communities.
To me culture in sustainable development is like breathing in and breathing out. If you breathe in, you need to breathe out. If you do a project, it needs to be culturally sensitive. There is no conflict, it is a natural way of doing business. It is just the way you breathe. And so, we have to learn a new way of breathing—of doing our work naturally.

We need members of the community to understand that the Bank is really trying to change. If we are met with stereotypes about how terrible the Bank is, how it doesn't understand, how the staff is ignorant and/or awful, Bank officials may react against that negative perception. I would ask that when you meet with Bank people, give them a chance. They are trying to relearn, to understand, and to make a better contribution to people's well-being and to poverty alleviation—with a better understanding of culture and of history.

The only thing I can say to you is that it is worth the fight. If we can change the major financial institutions to have a more humanistic and cultural approach, it will be in everybody's best interest. It will be done without seeking to displace or replace anybody or diminish any institution. Everyone will be better off if we attend to the cultural and traditional tenets of the communities we serve.
PART THREE

SEMINARS, THEMATIC WORKING GROUPS, AND LECTURES
Organized by UNESCO

MEASURING CULTURE AND DEVELOPMENT: PROSPECTS AND LIMITS IN CONSTRUCTING CULTURAL INDICATORS

The Seminar took place on Tuesday 5 October, in the Plenary Hall of Fortezza Da Basso, from 16.30 to 18.30 p.m. It was organized as a series of interventions by seven international experts and was attended by some 60 observers, among them government representatives, heads of national statistical offices, and leading international scholars.

The objective of the meeting was to exchange experiences and policies in connection with research on culture and development statistics. Drawing on the complex and multifaceted nature of world cultures, the seminar should attempt to identify specific implications and concerns in the process of statistical analysis. A wider policy-oriented aim of the seminar was to increase the awareness among national ministries, not only of culture but also of finance, of the soundness of investing in research on culture and development as a useful tool for policy decision-making.

The chairperson who welcomed the panelists and observers on behalf of the Assistant-Director General for Culture opened the seminar. She thanked the World Bank and the Government of Italy for having invited UNESCO to organize a seminar on cultural indicators, in view of the considerable experience that the Organization has in this domain, and the recent advances that have been made through the publication of UNESCO’s biennial World Culture Report.

The introduction was followed by specific interventions from the individual panelists which can be summarized as follows:

- Culture in economic and industrial terms has gained new significance over the past decade, to the extent that cultural sectors have become targets of national economic development policies in many trading countries. As this happens, there continues to be a need to build an “organized” approach fostering more rigorous and relevant indicators that monitor the vitality of the culture sector activities worldwide.
- The research carried out since 1996, parallel to the preparation of the World Culture Report, has from its very beginning defined the construction of cultural indicators of development as one of its priorities. In this way, the Report has been planned, from the very beginning, to complement the statistical work being carried out by UNDP Human Development Report (HDI) and the World Bank’s World Development Indicators.
- Despite the many methodological and conceptual difficulties of establishing culture indica-
tors on a global scale (availability, credibility, comparability, the “wealth bias”), the first issue of the *World Culture Report* succeeded in presenting culture and culture-related indicators for 150 countries, and nearly 200 data items were included and distributed among 30 tables. This work is currently being strengthened through consultations with UNESCO Member States and collaboration with national experts.

- The recognition that culture has been ignored in development is now widespread in the World Bank. While skeptics still put pressure for proofs, the climate in the Bank is that culture has been ignored in development “to our peril”. The need for a more comprehensive development strategy has recently been defined, for instance in connection with the World Bank's country strategies. Several activities (analyses, studies, and surveys) presently being carried out by the Bank would constitute important areas for future collaboration with UNESCO’s *World Culture Report*.

- While indicators, statistics and benchmarking is a powerful tool in the information society to induce the desired response, stimulate reform, and guide behavior, more transparency is needed, both in culture markets and in cultural institutions if we want to contrast under-investment in culture. The returns on cultural investments are notoriously distant in time, unpredictable, dispersed.

- A given figure means nothing unless it is interpreted in accordance with the principles on which the indicator was devised and its specific limitations. Contradictions emerge in terms of rationality and practice when it comes to the interpretation of indicators by policy-makers. It is crucial to begin by clarifying the aim of developing cultural indicators; its contribution to the resolution of an identified, practical problem in the areas identified as important by cultural policy and industry decisions-makers.

- The debate on the definition of culture is not suited to the very modest (but extremely difficult) aim of establishing cultural indicators for widespread use. One must begin by tackling fields that cannot be disputed (cultural employment, cultural expenditure, the economic importance of cultural fields) and move into what people actually do with culture (consumer habits in relation to professional supply, “amateur” activities which go beyond the cultural goods market).

- The work carried out by the WCR has tended to focus on cultural vitality measured by marketed outputs. Other issues could be measured by looking at obstacles & means in relation to culture. “Cultural conservation indicators” are needed to monitor the state of existing cultural assets; new data categories must be created on cultural creativity aspects; as well as on the ability of people to work together for their own development (motivation, coherence, etc.).

- International dialogue is crucial because statistics are inherently a matter of trust. UNESCO has a fundamental role in standardizing statistical concepts, definitions, and classifications at the global level. Some of the difficulties with indicators also arise, not because lack of data, but because of conceptual inadequacy. New avenues actually exist for testing new concepts and linkages in a more comprehensive fashion in the context of a broad concept of sustainable development.

**Conclusion**

The World Bank’s emerging interest in the economic aspects of the impact of culture on sustainable development and the contribution it may make to poverty alleviation is a very positive trend. At the same time, however, there is a risk that action programs on culture and development disperse into minor, unconnected projects.

Indicators must therefore be defined in the framework of the advances made in recent years, and the seminar has more than clearly shown the value and necessity of collaborating internationally in this domain.

In order to strengthen the process of broadening measurable and reported aspects of world cultures UNESCO should pursue its development, in collaboration with the World Bank, UNDP, and National Statistical Institutes, of a comprehensive research program focusing on the creation of new hard data on the linkage between culture and development.

**Panelists**

Lourdes Arizpe  
*Professor, Researcher*  
*Centro Regional de Investigaciones*
Private and Public Sector Partnership for Community Development

Vera Boltho, Head of the Cultural Policy and Action Division of the Council of Europe, introduced the issues which make the topic of this seminar essential to deliberations on culture and sustainable development.

The global economy and far-reaching technological developments have important implications for cultural policy. These changes are making existing objectives and implementing mechanisms of national cultural policy obsolete. The beginning of the 21st century presents us with the challenge to redefine the meaning of the public good and the shape of public space. As we emerge from several decades of profound and rapid social and economic transformation, and as the dust begins to settle, we are increasingly aware that our reality is marked by a fundamentally different relationship between culture and economy. It carries great potential for culture and democracy, but also great risks.

For most of human history expressive culture and its mediators, the cultural institutions, have been aligned to the dominant spirit, purpose, and goals of their society. Today the situation is different. This difference is our great challenge. An objective of this seminar was to discover the purpose and objectives of cultural policy at the beginning of the 21st century and how it should be organized and implemented in terms of incentives, regulation, and public support.

What is the role of the public sector, the private and community organizations? What are the priorities?

In response to this introduction regarding the opportunities and risks at stake for cultural policy, the central objective of the seminar was an investigation of new tools, regulations and incentives for cultural policy.

A schematic overview of the Challenges for Cultural Policy: New Tools and Mechanisms was presented by Bernard Wicht, Chairman of the Council of Europe’s Culture Committee, and Charles Landry of Comedia. These two speakers emphasized that there is a new architecture, which is developing to set the objectives for public policy. This architecture is increasingly characterized by a
sharing of management responsibility between the public and private sectors. The very different context within which cultural goods are now developed and exchanged requires innovative and flexible management.

Two concrete illustrations of the new forms of regulation and management of the cultural sphere through public/private partnership were presented. Jennifer David, Director of the Aboriginal People's Television Network (ATPN), Canada, illustrated how the ATPN is a pioneer experience and has become an essential instrument funded by civil society for the many dispersed indigenous nations of Canada. Ephim Shluger (see a summary of his presentation below) of the Woodrow Wilson Center demonstrated that legislation and tax deductions in Brazil have effectively doubled the available federal funds earmarked for cultural projects. The introductions to the topic and these two fascinating interventions were the jumping off point for an engaged discussion from the floor, which occupied the greater part of the time allotted for the seminar.

Franco Passacantando, Executive Director of the World Bank, summed up the proceedings. He drew attention to the fact that this seminar, which had been particularly well attended, had remained throughout, highly animated. These facts, he said, illustrated both the topical importance of the theme, and the need to take it further.

He called upon the bodies responsible for the seminar to consider how it may be possible to increase public knowledge and access to data on the new regulatory architecture which is serving cultural policy. In her thanks to those who had contributed and to Mr. Passacantando, representing the World Bank, Ms. Boltho said that the Cultural Policy and Action Division of the Council of Europe would be happy to consider the possibility of carrying forward the work it had begun in the seminar, in cooperation with other interested parties.

Ephim Shluger

CULTURAL HERITAGE STRATEGIES IN BRAZIL: PROMOTING PUBLIC-PRIVATE PARTNERSHIPS

Summary
In recent years, Brazil has adopted swift policy measures to adjust and stabilize its economy and revitalize the social development agenda. In tandem, it has also formulated innovative policy reforms to support culture and to protect the natural environment. In this context, we are witnessing a release of cultural creativity and vitality by celebrating regional, ethnic and social traditions. Likewise, decentralization and new institutional arrangements, such as tax exemption packages, are being used to promote private investment in cultural industry and the preservation of historic heritage—all of these measures bring us closer to a modern concept of society and development (Weffort, 1998). The construction and de-construction of collective identities—a transformation that has shaken all aspects of the established canons of culture—in the face of current globalization which undermine them simultaneously from “above” and “below”, should not be underestimated.

The responsibility for the wide range of cultural policies, particularly those related to preservation activities, is formally circumscribed to the authority of the State. Unfortunately though, more often than not, insufficient technical resources and a lack of long-term strategies have hampered the implementation and development of adequate management and preservation programs. The earlier policy orientation in which the State should shoulder the responsibility and costs for preservation activities has been exhausted and is no longer viable. Presently, new partnership programs are assisting local initiatives, and resources are being mobilized through partnerships established between the federal and local administrations, community groups, foundations and private sector enterprises.

This essay attempts to review and analyze the context in which new trends of cultural heritage preservation are taking place in Brazil, namely by assessing past and present action programs, new initiatives based on tax exemption laws (the Mecenato Program), and programs that actively promote partnerships between the local administrations, civic groups and private sector for the revitalization of local culture and the preservation of monuments and historic sites.

Conclusion
What have we learned from the experience of a public-private partnership initiative based on tax incentives aimed to promote sustainable social and cultural development in Brazil? The new
policy instrument has triggered positive transformations by which cultural affairs are defined not anymore by the State institutions alone, but in partnership with civic groups and private investors. The process is regulated in a transparent way and projects are funded through a competitive selection process. In addition, with broader stakeholders’ involvement, new elements of tangible and intangible cultural expressions found in Brazil’s rich diversity are being mainstreamed. The raising of extra-budgetary resources, from voluntary deductions of corporate owned income taxes, is arguably one of the best ways of addressing the issue of chronic resource deficits (i.e. budget) afflicting the cultural sector. However, the amount of resources raised through the Mecenato Program has yet to reach the levels considered adequate for supporting the broad range of activities submitted to the Mecenato Program for funding, as well as to carry out the recurrent expenditures for cultural programs and heritage preservation.

New answers often bring old problems, and this is all the more true when the problems are not as new as seemed at the first glance. This is certainly the case of the regional economic disparities and social and economic stratification in Brazil. The awesome concentration of industrial and agricultural production, as well as trade in the Southeastern states of Brazil, particularly in Sao Paulo and Rio de Janeiro, is clearly reflected by the funds collected through the Mecenato Program— the Southeastern states led with about 99% of the total tax contributions raised in 1992 and 85% in the fiscal year of 1997, while all other regions combined shared 15% of the amount raised in the latter period. (Moises J.A., op.cit).

This glaring regional imbalance in economic development and the concentration of wealth only deepens the imbedded social differentiation and opportunities to access cultural resources. The Ministry of Culture admits that revisions of the tax incentive policy may be introduced to compensate for the regional imbalance, while it is fully aware that introducing control mechanisms to compensate for these distortions may distort and pervert the market-led competitive spirit that underlies the Mecenato Program.

Lastly, I conclude on a positive note by sharing a successful experience of the Mecenato program. The case in point is related to the Brazilian movie industry, which experienced a remarkable turnaround during a short period of time due to essential funding received from the private sponsorship. New productions, including prizewinning films, such as “Central Station”, were funded using one of the accounts of the Mecenato program geared to foster the production of new movies through the tax exemption mechanism.

For a complete text of this paper, please send an email directly to Ephim Shluger, Shluger4@erols.com

For information about the seminar, Investing in the Tangibles and Intangibles in Intercultural Dialogue, contact the World Culture Report Unit, UNESCO Culture Sector, 7, Place Fontenoy, Paris, France; fax 0033-01 45 68 55 94.

For information about the seminar, The World Bank’s Approach to Culture and Sustainable Development, contact Ms. Tia Duer, Culture and Sustainable Development, Social Development Unit, World Bank, 1818 H Street, NW, Washington, DC 20433.
The IUCN has combined its report from its seminar, “Call for a Culture and Environment Compact: The Quest for Sustainable Development”, and its Thematic Working Group 2, “Cathedrals for Environment—Financing Culture and Nature for Generation to Come.”

The seminar and working group were organized by IUCN and the Mountain Institute.

Organized by IUCN and the Mountain Institute

The World Conservation Finance Initiative
Report and Plan of Action

We continue to lose World Heritage—both cultural and natural—to finite extinction. Institutions for the conservation of culture and the environment have been strengthened over recent decades, but overall interventions remain too little, too late, and too short-lived. We have not stemmed the growing tide of losses of indigenous languages and knowledge, priceless art, traditional crafts, cultural landscapes and of biological species, rainforests and other ecosystems.

A fatalistic outlook on extinction is unacceptable, because conservation is achievable and within reach, and because benefits of saving world heritage transcend the confines of economic valuation.

To conserve our cultural and natural heritage, basic rethinking and retooling is needed. To stem the extinction crisis, we need to forge new, long-term social and financial co-operative systems. The task before us is to devise systems that can more vigorously conserve our global heritage and endowment.

Challenges

Time is of the essence. Since the appearance of humans on our planet, there have never been changes as drastic and far reaching as those of recent decades.

With expected continued population growth, further acceleration of this trend must be expected. All over the world, the pace of decisions, actions and local change increases as a result of population growth, globalization, infrastructure, modern media, and technologies.

At present, it is hard to match the magnitude of the “extinction challenge” with effective and timely action:

- Most cultural and environmental institutions are under funded and carry little political weight.
- Decisions tend to be left to the market—exposing timeless, irreplaceable goods to short term intellectual fashions. This contrasts starkly with the acclaimed concept of “sustainable development”, which would oblige us to protect world heritage as an endowment for generations to come.
- Conceptually we treat culture and environment as objects of “charity & aid”, rather than as the requisite social and natural capital for
future development. "Mainstreaming the environment" is a postulate, but not yet a reality.

- Our thinking rarely moves beyond short-term administrative cycles. This leads to good projects, which once "concluded and disbursed" lack the prospect and means for retaining their achievements over the long run.

Remedies

The conservation movement needs to be better equipped to match all of these challenges. Key elements in any improved system must be solid institutions, long-term programs and commitments, and assured flows of funds.

Sustainable finance for culture and nature conservation must become "systemic" locally, nationally, and on a global basis. This requires the development of additional funding sources, and a move beyond a predominant dependency on the state. There is scope to move in this direction with increasing engagement of civil society and private sector actors.

Goals and Action

Building up towards the Florence "Culture Counts" Conference in October 1999, discussions on the subject of Sustainable Finance for Culture and Environment were initiated already in 1998, with participation from a broad gauged working coalition. Significant support for initial meetings was provided by the World Bank, UNESCO, Getty, Deutsche Bank, and more recently by the World Conservation Union—IUCN, and the Bellagio Forum.

To move this emerging World Conservation Finance Initiative towards tangible operational results in 2000, The World Conservation Union—IUCN undertakes to serves as the center of a Task Force, bringing together experts in the fields of culture and nature conservation and in finance, from a range of committed institutions—among them the World Bank, the International Finance Corporation, UNESCO, bi-lateral development organizations, the Deutsche Bundesstiftung Umwelt, Deutsche Bank, the Bellagio Forum, the World Commission on Protected Areas, the InterAmerican Development Bank, The Aga Khan Trust for Culture, the Instituto Latinoamer-

icano de Museologia, a number of Italian institutions, and several others.

Representatives of these institutions were also largely represented at the IUCN seminar "Call for a Culture and Environment Compact. The Quest for Sustainable Finance" and the IUCN working group "Cathedrals for Environment. Financing Culture and Nature for Generations to Come" at the Florence Conference, where they addressed:

- Learning from and designing innovative revenue generation systems at local, national, regional, and global levels
- The need for innovative, co-operative, and low cost fund management
- A work plan to move from reviews of options in fundraising and fund administration, to a promotional and piloting phase over the coming 12 months.

Work Plan

In order to get the Task Force's work program started, we suggest the following priority activities over the next 12 months:

1. **Task Force Work Plan, and Promotion**, including strategies for capitalizing key conservation organizations; next meeting to be hosted by UNESCO World Heritage Center, probably in March 2000; further planned: report-backs at EXPO 2000 in June, and at the IUCN World Congress in Amman in October 2000.

2. **Baseline Mapping** of innovative mechanisms for fundraising and fund administration, in collaboration with the World Bank and others.

3. **Development of a Conservation Finance Internet Site** to house guidelines on sustainable finance, directories, and good-practice case studies on existing funding mechanisms, building on the IUCN site Financing Protected Areas economics.iucn.org/fpa and recent World Bank information services.

4. **Regional Initiatives/Consultations and a Technology Roundtable**, in collaboration with Deutsche Bank and Information Technology Industries.

5. **Conceptualization and launching of Pilots** for sustainable funding.
Outputs

With this collaborative work plan, we aim to have the following by November 2000:

- Internet-based clearinghouse on Sustainable Finance for Culture and Nature Conservation,

- Short list of new and innovative mechanisms for fundraising,

- Better understanding of mechanisms for efficient and equitable fund administration,

- First specific pilot projects underway.
Thematic Working Group 7 and Seminar
Valuing Heritage—Beyond Economics

ICCROM has combined the reporting of its seminar and thematic working group 7, both entitled “Valuing Heritage—Beyond Economics.”

The working group, “Valuing Heritage—Beyond Economics,” was the continuation, and test to reality of the results obtained in the Forum held under the same title at ICCROM from September 30 to October 2, 1999 in Rome. This summary report reflects the discussion in the combined meetings. Therefore, both events will in this text be jointly referred to as the Forum. This truly interdisciplinary discussion involved a wide variety of specialists and stakeholders: economists, decision makers, conservation professionals, cultural anthropologists, art historians, archaeologists, systems specialists, and educational experts.

Economic Valuation

Evaluation techniques, quantitative or qualitative, are being used increasingly for judging the validity of projects and investments. Decision making is usually about distribution of resources, which are organized in budgets. Economics is therefore the principal discipline concerned with such evaluation. The cultural environment has for a long time been able to avoid using economic criteria, but the pressure to apply economic valuation also in this area increases. Economics can provide decision makers, who have to allocate limited resources, with information that allows them to compare different heritage projects and also heritage projects with non-heritage projects. Particularly, institutions financing development projects, with a growing interest in cultural development, insist on this kind of evaluation because they can then be compared with evaluations of other projects.

Limitations of Economics

Economics of the cultural environment is still fairly young. There is a small established group of cultural economists who deal with this subject, but the literature and experience is still rather scarce. Considerable work needs to be done on concepts. The most successful methods are derived from other fields of application, in particular the valuation of natural environmental resources. Assessing benefits from cultural heritage with economic methods is important, especially for convincing decision makers and investors to allocate resources for its conservation. Economics provides the concepts and tools to enable attaining efficient outcomes. However, economic valuation methods have their limitations, in that they cannot be expected to consider other criteria, like equity, competitiveness, social usefulness or ethics, which are important when addressing the cultural and social values of cultural heritage. Economics is good at capturing...
preferences expressed by individuals, on condition that they can be provided with good information, which normally must be formulated by specialists from other disciplines. Moreover, the cultural and social values are often shared values of a collective nature, highly dynamic, and of specific complexity and intricacy.

Informed Decision Making

Particular difficulty and complexity arise through the interaction of processes of social, cultural, and economic changes in society, where the various stakeholders have different, often conflicting interests. Priority setting and decision making need better and authoritative bases for taking right, defendable, and informed decisions. They need to be effective for long-term policies for sustainable human development, of which the ultimate goal is the improvement of the quality of life. Better information is not only relevant for decision makers or investors, but is certainly also important for shaping the public opinion at all society levels. The Forum contributed to the following objectives:

- To identify those cultural heritage values which contribute to a better quality of life and to sustainable human development; and
- To identify suitable models of assessment for these values, including and beyond those used by economics.

Beyond Economics

The Forum recognized several key points.

- Cultural heritage conservation is not an isolated issue, but must be considered as integrated in social and cultural development policies and strategies. It is therefore necessary to understand the process of change as well as the motivations and mechanisms of priority setting and decision making.
- Economic valuation is an important tool for ascertaining efficient outcomes of resource allocation and the primary way of access to decision makers and investors. However, economic valuation has its limitations and indiscriminate application carries the risk of drawing wrong conclusions.
- Valuing cultural heritage should be done on a broader definition of benefits than in a strictly financial cost-benefit analysis. Besides quantitative and monetary measurements, qualitative and multi-criteria assessment methods should also be applied as appropriate.
- Valuation of cultural heritage should be multidisciplinary teamwork, as a response to the complex multifaceted reality of social and cultural development.
- Valuation should combine a top-down approach, by specialists or governments, with a bottom-up approach, involving the participation, conscientiousness, and education of the population.
- Valuation methods should avoid imposing on societies foreign values or appraisal systems. They should be sensitive to the different cultural contexts and the values shared by the members of the considered communities.

Cultural and Social Values

The Forum identified the following values of cultural heritage. Most can be assessed by economic methods, but will require complementary studies by other disciplines to enhance their validity and the understanding of their results, and to address concerns beyond economic efficiency:

- Place to work and live
- Fun, leisure, recreation
- Educational
- Knowledge
- Information
- Development potential
- Media value, image
- Indirect use
- Option
- Bequest
- Existence
- Altruist
- Identity
- Social cohesion, fabric
- Social status
- Inter-cultural dialogue
- Beliefs
- Religious
- Initiation
- Historical
- Artistic, aesthetic
- Uniqueness
- Vulnerability, threat
- Authenticity
- Integrity

Besides these properties, cultural processes themselves can constitute cultural values also, such as the process through which cultural heri-
Thematic Working Groups

Complementary Assessment Methods

The Forum further considered the following assessment methods that should be used in a complementary way:

- Econometrics;
- Social indicators;
- Psychometric assessments;
- Environmental impact;
- Peer review, specialist driven;
- Thick descriptions to understand values in their cultural context;
- Community response assessment.

This is an open list, to be considered as possible methods that should be used in a complementary way in order to provide information rich enough for proper decision making. Most of these methods have had little application for cultural heritage so far. They will need considerable study for further development and refinement in this area. In order to determine the optimal combination of methods and information, study will also be required about the decision-making process itself.

Summary of discussions

Following is a summary of working group presentations and short discussion by other participants:

Marc Laenen, Director General, ICCROM, Rome. Those working with cultural heritage have long claimed a wide range of benefits for conservation. Today however there is a growing need in equipping citizens, public officials, and professionals with better advocacy tools, to demonstrate and prove that conservation offers tangible benefits, relevant to community well-being. There is also a growing need to show that these benefits can lie in areas beyond those associated with conventional economic valuation, and that these can be identified and measured in ways meaningful for public decision-making.

ICCROM organized a multi-disciplinary expert meeting to discuss these issues, and the working group attempted to illustrate the most important aspects of such discussion. Three economists explain what economics can do and what its limitations are, while the three following presenters will introduce a series of other considerations that should be complementary to or integrated with the economic approach.

John Dixon, Program Team Leader, Environmental Economics and Indicators Unit, Environment Department, World Bank. Should the World Bank invest in culture? And should governments invest in culture? The answer can be nothing other than “yes”. Then hard decisions are required about choices and prioritization, because there are not enough resources available to do everything as desired or required. Such decision making will need information about the benefits of possible investments. Economics is the discipline that is principally concerned with valuing such benefits.

Economics have developed many techniques for measuring values, but they capture values only partially. Culture is also much concerned about values, though economists use value in a different way. Economic value is only one component of the more comprehensive value concept of social and cultural environments.

The tools currently used by economists to measure values of cultural assets are those developed by environmental economics. The economics of the natural environment have indeed many comparable problems: markets often do not work, and besides the value from direct use of resources, there is a large value derived from indirect use and non-use, including option values, bequest values, or mere existence value. There are valuation techniques available that can capture these values fairly accurately and translate them into monetary equivalents.

Monetary values are essential to be able to convince ministers of finance. Several studies from the World Bank’s experience demonstrate that the non-use values of cultural assets can generate convincing figures to support decision making. A study in Fez (Morocco) revealed an average willingness to pay (WTP) for conservation of the historic city center of US$70 among foreign visitors, while a similar study in Split (Croatia) revealed values of US$45 among all visitors and US$150 among local residents. These figures are quite high and extremely useful to back decisions about financing.

Such economic measurements are normally done for very specific purposes. In Fez and Split
the purpose was to demonstrate that proposed improvement projects could generate sufficient return to compensate the investments. There was no intention to measure or demonstrate the total value of the sites. To avoid confusion, the results from economic valuations must always be considered only within the context of the original purposes.

David Throsby, Professor of Economics, Macquarie University, Sydney, Australia. Although the concept of cultural capital is sometimes used in general discourse, it is rather new to economists. It has the potential to help bridge the gap between how economists approach valuation and the concerns of archaeologists and art historians among others as it might have an appeal to both sides. In general, a cultural capital item is a capital asset that has cultural value, though it is not clear yet what that means. It is this cultural value that distinguishes it from normal assets, and as an asset it is expected to produce benefits in the future. We are familiar with the notions of human capital that relate to investing in human skills, and of natural capital that refers to assets available in the natural environment. Cultural capital then refers to similar assets, created by the activities of mankind. The approach to cultural assets in economic terms, like for asset evaluation, needs therefore not to be built from scratch, but can rely on work done about such other forms of capital.

One way of interpreting heritage assets as cultural capital is in terms of sustainability. The word has many meanings and needs to be defined more precisely. It has to do with solutions that are not a quick fix, but that have long-term and self-supporting aspects. In application to cultural capital it can lead to considerations similar as for natural capital, where the notion of sustainability is already quite established. Discounting is an important concept for economics when dealing with capital and sustainability. In the case of cultural capital, discounting should be applied not just to economic value but also to cultural value. Then the flow of cultural benefits in the future has to be related to that in the present. The thinking about such mechanisms in this area has only just started. It must go beyond generalities and be clear about meanings. Intergenerational equity is thereby one of the most important underlying principles.

Paolo Leon, Professor of Economics, Department of Economics, University of Roma Tre, Rome, Italy. Cultural heritage as a commodity is normally classified by economists under merit goods. These are goods which individual preferences would not appreciate sufficiently, because most individuals do not understand completely their relationship with society. They are difficult to assess in economics, because most economic valuation methods collect individual preferences. Because of their nature as merit goods, the public sector or governments would have to be responsible for their proper appreciation and maintenance. With increased income and better education, more people tend to consider cultural heritage as something valuable for themselves. Therefore the role of the public sector for cultural heritage conservation will be less in more developed environments. In less developed economies the merit good nature of cultural heritage, and thus the need for the public sector to intervene, will be more pronounced.

Externalities are important for convincing governments. One of the most important and visible externalities from cultural heritage is tourism. The benefits from tourism are mainly exploited by the private sector. Governments need to use proper policies and regulations to sustain the public character of cultural heritage. More consideration for cultural heritage is a way to improve education, increase interpersonal relations, create tolerance, reinforce identity, and support development. However in many developing countries, increased income and education give rise to other priorities for governments and individuals, reducing the interest for cultural heritage. Under such conditions, there is significant danger that tourism turns cultural heritage into pure commodities if the public sector does not intervene.

Employment is another important externality. Most employment in the cultural heritage sector is public. There are many professional levels involved, but most require a quality related to international standards. Specialized training must be organized for several high profile, modern professions. This can make a country more competitive with other countries, contributing to development. Furthermore, many of the professions involved are among those that help to shape the public opinion, attracting more attention to cultural heritage.

Richard A. Shweder, Committee on Human Development, University of Chicago. Values in culture are relative. In a certain temple town in
India there is a bathing tank at the entrance. It has huge importance for pilgrims, because the goddess came there and bathed, and because it is necessary to purify oneself before entering the temple. Tourism is not considered important and eventual tourists are just ignored. Monetary value is not at all suitable to measure the importance in this case.

"Culture Counts" in the title of the Conference can have many meanings: from the accountant's viewpoint to one of cultural pluralism, but it seems to imply that cultural value can be expressed in numbers. In cultural developmentalism it could mean that some cultures are poor and backward, while others are advanced. Is it really possible to rank cultures in such a way by cultural indicators?

Culture consists of community specific ideas about what is true, good, beautiful, efficient. It is about goals, values, and pictures of the world—these are the units of analysis. One of the ways to make these values apparent is through a thick description, as used by cultural anthropologists. Costs are usually financial, but benefits rarely are. There are many beneficiaries: those who consume, those who like the idea, those who gain image. However, finance ministers want economic return and local populations usually want their parking place. Those who care about heritage and cultural values are a cosmopolitan elite. When cultural heritage is alive it usually does not need particular attention for its defense. Understanding is essential, and education about what is good and beautiful is fundamental for increasing awareness and support. Recovering costs through taxation associates heritage preservation with a duty towards society. However one should be careful with forms of regressive taxation, like using lottery money, where it is the poorer part of the population that pays.

Jean-Louis Luxen, Secretary General of ICONOS (International Council on Monuments and Sites). When a few years ago the Inter-American Development Bank (IDB) lent money to Brazil for a project of urban renewal and development, the conservation community was against it. This was because the IDB decided to set up its own conservation unit, ignoring existing conservation expertise, and because the local population was not consulted. When dealing with cultural heritage, economics needs culture, it needs to be open to contributions from other disciplines for several reasons.

Why do we conserve? Who will benefit from the investments? When asking such questions, it is clear that the human being is at the core—the user, the visitor. Dealing with cultural values requires a kind of idealistic approach, an intercultural dialogue, whereby the prime responsibility lies with the public authorities, not with the funding agents. Willingness-to-pay analysis is an individualistic approach, while many values are collective.

Culture has an important social dimension: the quality of the place where one lives. In this sense, the built heritage is a resource for human development. The diversity of heritage in various economic contexts or cultures makes the process of assessing cultural heritage itself a cultural value.

Cultural heritage has an important dynamic perspective, which makes it difficult to determine what return to expect and how to set priorities for investment. Heritage conservation is essentially future oriented. Immediate benefits or externalities should always be evaluated for their long-term effects and one should avoid arguments that can have negative connotations or consequences, such as tourism.

Besides economic information, there are other quantitative indicators that can be collected, such as social and cultural. But even these can give only a partial picture of the values and need to be complemented with qualitative assessments. The approach to the fundamental question—Why do we conserve?—must always be a collective, interdisciplinary one. Economists have an important role, but other experts must help in the decision-making process, in full dialogue with the local population, while making them aware of the importance of heritage. An appropriate balance must be stricken between material and non material interests, between visitors and local population.

Yoro K. Fall, Director of the International Centre for Social and Human Sciences, UNESCO, Lebanon. In French there is a big difference between morals and ethics, more so than in English. Ethics are morals, but linked with institutions, societies, religions. Similarly there is often confusion between rights and values: values are mainly for ourselves, while rights have to do with responsibility toward other people. Often there are contradictory interests involved, which make it difficult to judge who has rights or
responsibilities. In the Mediterranean area, archaeologists have searched a long time for ancient Roman and Greek remains, because these were considered the expression of European culture and civilization. This is in contrast with an ethical point of view which would recommend to destroy all pagan temples.

It is dangerous to transpose valuations from one society to another. Valuation will differ considerably between different societies. Just consider the African languages that use the same single word to express good, true, and beautiful. Societies can create new objects, new traditions. One should then be careful to discover what is called tradition. There are nominalist societies where it is important to know the name of the artist who created an object, and anonymous societies where knowing is not relevant for the value concept. Often cultural heritage does not remain with the societies that created it and understand it. In many African countries there are monuments called stone circles. Many are now in areas inhabited by Muslim societies, while the people that created them have not lived there for a very long time. The stone was originally conceived for buildings for the dead, but Islam does not have historic burial places. But who is now responsible for the conservation of such monuments? In Lebanon ancient houses are now being recovered for new institutions. Many shops and workshops were expropriated in the 70s in the cities. This has greatly changed social life. The challenge is now recovering or recreating this social life, with new institutions in the old buildings.

These few examples illustrate that investing in heritage conservation has much to do with ethics and must be done carefully, in all senses. It requires being well aware of the processes within society. Universality is only possible inter-culturally and each culture is a resource, an investment for other cultures.

Mounir Bouchenaki, Director of the Cultural Heritage Division, UNESCO, Paris. Working with cultural heritage in many different societies has taught that it is important to understand how societies perceive their heritage, in particular if this heritage belonged to or was created by other cultures. Beliefs are also a fundamental element. Historical buildings are often deformed by bad restorations, driven by belief. Ancient mosques are often transformed using cement, concrete, or marble, because in current belief, we do not have to respect heritage, we must have a living place for worship.

David Maddison, Department of Economics, University College London. Willingness-to-pay studies must be considered in their context: a society which is to give up scarce resources in order to repair damage or prevent more damage. Willingness to pay can be a powerful tool to demonstrate to politicians that society should invest and is willing to invest for that purpose. Willingness to pay does not put any restriction on the motives that people have wanting to pay. Emphasis must also be put on the importance of creating the mechanisms whereby economic benefits can be incorporated in investments. When pricing access to cultural heritage sites, in particular in less developed countries, foreign visitors can be made to pay much more than locals, and willingness to pay can give indications on how to go about this.

Stephen Creigh-Tyte, Chief Economist, Department for Culture, Media and Sport, United Kingdom. It is good to look back from how far we have come. In the 60s and 70s, much preparatory work was done on the third airport for London. There was a Norman church next to the site in order to include it in the cost-benefit balance, its insurance value was used. This would be inconceivable today, but we still have not done enough work. We need to develop technically the ways economists and other disciplines work together. It is clear that we have to work together without false dichotomies. Many people would be surprised knowing the kind of work that is already now put into decision making. Recently on one particular occasion the British government accepted the donation of a missal in lieu of a tax payment. In the justification 95 percent was a description of the historical value of the book, while only 5 percent was about its cost or worth. Costs and benefits should not be expressed just in economic terms. Costs are assessed in terms of economic, environmental, and risk concerns, while benefits go far beyond tourism or tax benefits, but should be analyzed by truly multi-criteria methods.
Thematic Working Group 1
Italian Bilateral Cooperation

Organized by Ministry for Foreign Affairs,
Development Cooperation

Political and economic action in developing countries, carried out by the Department for Development Cooperation (GDDC) of the Italian Ministry of Foreign Affairs (MFA), has shown that Italy has certainly helped to enhance and spread sensitivity towards problems regarding the safeguard of cultural heritage. In the last ten years, 60 projects have been put forth and carried out for the purpose, such as the following:

* Enhancing the awareness of the importance and weight of the cultural property resources in a more purely economic sense;
* Directly or indirectly fostering peace processes and détente among different ethnic groups and countries at war;
* Activating and supporting first-rate public and private laboratories (institutional capacity building);
* Promoting the transfer of know how and the creation of new careers.

The purpose of the working group was to stress the role of the Department for Development Cooperation as a vehicle to aid in meeting the needs of beneficiary countries and as a promoter of the services offered by the Italian system. Considering this purpose, the aim of the working group discussions during three sessions of the was to:

- Introduce some guidelines to regulate the ratio between the system of supply and demand in the future;
- Set forth the guidelines to orient the countries benefiting from the actions and match their needs with the goals of Italian Cooperation;
- Demonstrate to the main interlocutors of MFA/GDDC the results obtained in the last decade thanks to Italian Cooperation.

Cultural Heritage as a Non-renewable Economic Resource

Cultural heritage as a resource is seen as a development factor that can increase productive activities, create jobs, influence the balance of payments through tourism, and keep traditional craftsmanship know-how alive, whereas it would probably be lost otherwise. It also opens up new business opportunities for entrepreneurial initiatives.

Developing countries have not succeeded in setting apart and finding financial resources to turn cultural heritage in a source of income. So many governments consider cultural heritage more a cost than a benefit. Developing countries particularly need all financial instruments as soft loans, subventions, tax reduction, private sponsorships, advertising campaign in order to
support cultural heritage as economic resource. In this process the role of national and international institutions is working to put into effect a complementary action to private investments, as providing incentives.

The enhancement of cultural heritage as economic resource is possible through two kind of instruments—joint ventures and NGOs actions. Developing countries need projects and programs that focus on the enhancement of local resources and bottom-up involvement. Joint ventures are a good opportunity to speed the learning by doing process, while NGOs, through a sharing development philosophy, encourage the direct involvement of local resources.

When total awareness of one’s own resources is attained, as well as the realization of a conflict between reasons for conservation and those for development, the necessity for organic and overall planning emerges, where attention is not devoted solely to emergencies involving monuments but also to the entire territory in question.

A planning process of that nature must necessarily take the local populations into account. It cannot be isolated from problems such as housing, income, employment, criminality, or transport. That is to say, human settlement represents a system to be dealt with in its entirety and considered together with the lines of development identified on a national level. It is for these reasons that developing countries have expressed the need of a programmed approach which goes from technical assistance to governments to institutional capacity building, and from the training of the personnel of central and local administrations in territorial planning as well as tools for enhancing local resources.

**New Technological Frontiers and Safeguard of Cultural Heritage**

Some countries, as Lao PDR and El Salvador, have shown their awareness that any type of safeguarding of cultural heritage must be based on a systematic and up-to-date knowledge of what it consists of. Action can be taken only if one knows what there is and what its value is.

Data Bank for Cultural Heritage Filing and Cataloguing is a considerable body of technical and bibliographical information, together with historical and critical information, data on restoration, quotations, file sources and on-line pictures. Restoration and preservation action can certainly lengthen the average life of an art object. Thus, the data banks are entrusted with the task, at least in part, of conserving the historical memory of mankind’s cultural heritage. Conservation safeguarding can suffer the impacts associated with the passage of time and lack of financial resources; and the threats from accidents, wars, or ethnic conflicts, and from earthquakes, floods and other natural phenomena. The cataloguing of cultural heritage items makes it also possible to recover stolen works that might otherwise totally disappear. For these reasons, in the last ten years Italian Cooperation has supported action to set up and operate data banks in some developing countries, in an attempt to save local cultural heritage. This heritage can constitute important area resources for the development.

A wealth of new technological tools (databases, remote-sensing, CAD, GIS) enhances activities for conservation and restoration. Computer technology has made possible the investigation and diagnostic phase of reproduction of an object or building and its virtual restoration. With the aid of technological simulation, the most appropriate method of restoration can be determined. Developing countries which have embraced the new technology, also must make provision for training of local talent who can embrace the extreme variability and far-reaching nature of the potentials of computer technology solutions in cultural heritage.

Scientific and technological progress and the accumulation of experiences and results of experimentation are continually making available new techniques and materials for preservation and restoration efforts. Developing countries have shown an interest in receiving these new materials, but also continuing the research on local materials, technologies, and methods. The combination of traditional skills and technological innovations constitute an important resource to act as a safeguard in the thoughtful and harmless preservation of artifacts.

**Skills and Creation of New Careers: Learning Paths and First-rate Laboratories**

Cultural heritage has a unique nature, requiring both specialists in conservation and restoration, and managers and caretakers of the conserved and restored works. Following this need, Italian Cooperation has and will support projects in developing countries for the training of profession-
als, with specialized and technical skills, who will be able to meet local demands head on.

The most popular methodology in developing countries is training on the job. Developing countries are particularly interested in training to preserve regional arts and crafts which are invaluable sources of cultural history and must be safeguarded. Often highly sophisticated technologies are found side by side with generations-old atavistic rituals with little desire for innovation. Thus there is an inherent conflict in developing training for developing countries: skepticism of new technologies and the need for training in the use of new technologies.

New technologies education must aim to respect traditional approaches of each country toward the protection of its cultural heritage, and at the same time promote new skills. Education will not only enable proper restoration and conservation, but teach how to develop strategies needed for preventive care.

Entrepreneurial management emphasizes the aspects of use of cultural heritage. New professionals (cultural heritage managers) have to take into account economy, effectiveness, and efficiency while observing the principle of safeguarding the object or building. Managerial training should focus on marketing and commercial policies to aid in increasing revenues and activities that will enhance local resources. However, developing countries need professionals who have to be aware that cultural heritage require proper marketing strategy because of the particular character of works of art, as non-renewable resources.

Conclusions

The following recommendations resulted from the three sessions of the working group, and have to be considered as the major results of this initiative. The future action of the Italian Cooperation should focus on the following:

- Define regional programs (Maghreb and Mashrek) with the involvement (and financing support) of other Italian institutions at regional and municipal levels;
- Define historical center recovery programs with the aim to get the socio-economic system working again and, in a more general sense, enhance heritage as a non-renewable economic resource at a national and local level;
- Enhance cultural districts (establishing rules supported with technical assistance and micro-credit) and develop cultural twinships with institutions or European cities;
- Improve production techniques and quality of handicraft-goods;
- Support management of libraries, museums, archives, recovery of manuscript and missing documents and enhancement of intangible heritage (traditions, folklore, music);
- Improve intercultural dialogue and support to programs which improves new appropriation of cultural identity (where before it was scorned or destroyed);
- Support institutional capacity building actions, university courses (strengthening subjects related to management and economy of cultural property) and post-graduate courses in place at regional level, and vocational courses in place (schools) in Italy;
- Increase scholarships, but only ones related to projects;
- Increase projects submitted by NGOs, simplifying administrative procedures;
- Support small and medium enterprises in the field, fitting/simplifying the procedures to establish joint-ventures;
- Support awareness/spreading campaigns and promotion of private sponsorships;
- Connect with the World Bank to launch technical assistance (or feasibility studies) before starting with important development programs;
- Define and enhance integrated infrastructures programs when necessary in connection with cultural heritage as economic resource.

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Thematic Working Group 3
Cultural Economics, Identity, and Poverty Reduction

Organized by The World Bank

This working group discussed operational and research work that is needed to further the Bank’s strategy in culture and poverty reduction. Prior to the meeting several documents were circulated to participants: an overview of the Bank’s current work in culture, as well as a preliminary draft paper on “Culture and Economic Development” by S. Alkire, V. Rao, and M. Woolcock, and the framework paper, “Culture and Sustainable Development” by K. Duer.

The discussion of culture was framed by a number of conceptual understandings which were solidified in the discussion, such as the following:

- The World Bank’s attention to culture arises in respect to its core mandate of poverty reduction.
- Culture is a broad term that includes ‘ways of life’ in all sectors, as well as in the arts.
- Culture can have both positive and negative effects on well-being; it is not always good.
- Culture is dynamic; groups modify, adopt, and discard practices over time.
- Culture involves groups, but groups may migrate, or their composition may change.
- An attention to culture can both be useful as a means to more effective development, and be valued as an end-in-itself. There is no need to choose one of these perspectives only; both apply.

The discussion of operational issues revolved around two themes: participation and informed debate, and the constraints and comparative advantage of the World Bank in regard to culture. This paper summarizes the first two discussions, and then presents the questions for research that emerged.

Participation and Informed Debate

Perhaps the most central problem both for research and for operational work was how the people, whose culture counted, could meaningfully discuss the value of their past and current cultural practices and participate in the ongoing shaping of their culture. Discussion focused on the following:

- **Discovering value.** It is often necessary to take into account local preferences—even if these are aesthetic, for example regarding the ‘shape’ of a boat—in order to have effective projects or simply to avoid project failure. Understanding value priorities can also be crucial to building more meaningful activities. Participatory processes thus require systematic tools for addressing values questions. Operational research is required to identify the strongest tools, and levels and forms of analysis.
- **Informing participation.** Poor participants, but also governments drawing up comprehensive
development frameworks, simply do not have access to the information they require in order to have an informed debate on the menu of alternatives that are both technically and financially feasible, and the cultural impacts of each alternative. In the absence of this information, participation is an insufficient mechanism to make development express local values (values which themselves are dynamic and contested). Research and operational work are necessary to identify exactly what knowledge is necessary for informed participation, and how that knowledge can best be generated and shared with participants.

- **Promoting dignity.** One way of structuring support for participation is to conceive of the desired outcome as giving dignity to the poor—during participatory processes and as their outcomes. This entails attention not only to economic processes of exclusion, but also to the inability of economically poor agents to express, generate, or further develop their culture, and to shape development interventions according to it. Supporting cultural expression hence becomes necessary.

- **Sustaining pluralism.** Participatory processes should deepen their potential to mediate value conflicts, and to operationalize the concept of tolerance.

**World Bank—Structure, Task Teams, Conditionality**

Participants drew attention to the difficulty for a group of outside advisors to make proposals that feed into the technicalities of World Bank operations, because they are complex. This being said, a few general comments on internal Bank procedures were made.

**Structural constraints**

The bulk of Bank lending is made to governments and must be repaid. This structure shapes how a feasible program on culture and economic development can be run. It also raises questions for research about the instrumental value of cultural lending for effectiveness. In particular, will investment in culture, through indirect and direct routes (social cohesion, tax revenue collection), increase financial returns? Standard economic work on the downstream and multiplier effects of investments in culture is required to address this issue.

**Bank culture and contextual knowledge**

The “culture of the Bank” was raised as an issue in a number of ways. The habit within the Bank of identifying best practices obscures the fact that what is an effective practice in one setting may rarely be effectively transplanted without adjustment to the new context. Another example is that Bank missions, even in the recent past, do not necessarily have a deep knowledge of the countries they advise, nor do they necessarily consult with professional counterparts in the country. This gives an impression of arrogance and rigidity (which has been noted, for example, in client feedback surveys). And it compromises the effectiveness of policy advice. The Bank will have to change how it does missions if it is to carry the culture focus (and the participatory focus) forward.

**Innovation within the World Bank**

A set of innovative pilot investments in culture has now reached the stage of documenting and disseminating the experience. However it is not clear what information would substantively interest task teams, and what format would be of most use (web page, workshops, books). Similar questions will surface for other attempts to mainstream culture.

**Cultural conflicts and the ethics of intervention**

There are cultural norms that conflict with international human rights. The World Bank has not developed an explicit position on when to intervene or to inject debate, or when to refuse to support governments or projects on ethical grounds. Members of the group recommended that it do so. In practice the Bank does take positions on a number of issues—child labor, cultures of corruption, gender relations—but the line between respecting cultural difference and confronting culturally embedded injustice is not clear. One proposal was for the Bank to make loans conditional upon respect for a few basic rules (not to torture, not to imprison without charge). Such conditionality could be enforced mutually by other borrowers, or by a council of trusted women and men.

**Questions for Research**

Proposals regarding the research agenda could be grouped into three categories: values institu-
Beliefs, values, and informal institutions comprise a wide, ill-understood category of institutions that are generated and sustained by cultures and that in turn directly affect a very wide range of economic behaviors. The importance of these institutions is increasingly recognized, but the tools for their study are far less developed than those for formal institutions. This complexity makes informal institutions most suited for multidisciplinary research, that blends qualitative and quantitative analyses, and explores how they can be ‘taken into account’ both procedurally (in participation) and theoretically, through modeling.

- How can participatory processes systematically discover the values at issue in any investment?
- How can participatory processes be institutionalized and sustained as more than one-off exercises?
- How can participatory processes deepen their potential to promote sustainable pluralism and to mediate conflict in communities?
- In stable states, formal and informal institutions are largely congruent; in unstable regimes, or during times of transitions, these institutions diverge. How can a better understanding of informal institutions help agencies to support formal institutional development?
- How can programs operationally address the disconnect between social values reflected in living culture, and transplanted institutional forms? How can external agents balance their aim to respect local institutions, and their aim to craft more effective institutions?
- At what threshold does inequality (economic or cultural) become socially unacceptable? Why?
- Economic liberalization brings an increase in individualist values over against cooperative values. What is the economic impact of these cultural value shifts in the long term?
- At what junctures do recommendations for poverty reduction conflict with possible ‘cultural’ recommendations (regarding the support for indigenous languages)?

Multidisciplinary studies of Bank sector work—be it in infrastructure, agriculture, cultural industry, common property, or governance—comprises a second topic. When researchers from different disciplines work on the same project, their analyses demonstrate the disciplinary lenses more starkly than papers written on two different projects. This is helpful in understanding the complementary contributions of different disciplines. Also, such research may uncover overlooked variables, or provide information as to the relative significance of different variables. It could recommend alternative operational approaches that would be more effective in that context.

- What are the economic, social, and cultural returns to investments in small-scale tourism, and in the crafts and design industry? How can these returns be compared and evaluated?
- What are the cultural attributes and externalities of Bank projects in traditional sectors?
- How should impact evaluations weight or value cultural impacts that are not adequately represented by economic returns?
- What implications do decentralized funding mechanisms have for the integrity and governance of nation states?
- When should support for culture be framed in terms of the protection of public goods? When should global funds be set up for the protection of cultural resources?

Intellectual Rights, including intellectual property rights of cultural producers and intellectual rights of local and indigenous communities, needs further research. The research—from legal, anthropological, economic, and business angles—should encompass how local knowledge can be used both for public benefit, and also for the economic benefit of poor communities. An additional complexity exists in protecting the intellectual rights of indigenous and other groups, for whom local knowledge is held in common and is constantly evolving.

- How and when should the intellectual rights of poor indigenous groups be protected?
- How can economic incentives for cultural production reach the real local producers?
- How can intellectual property rights support pro-competitive strategies in developing countries?
- How can the existing intellectual property rights legislation be adapted to situations in developing countries to stimulate bottom-up, pro-poor activities? Can this be done through governments?
- How can the convention for biological diversity work for local people? How can the private
sector (pharmaceutical, agro-industry) be turned to benefit local communities?
• What are the necessary and sufficient conditions for traditional groups to manage conservation areas, building on their own traditions while increasing their quality of life?

What is Next?
On the basis of this working group meeting, and of ongoing discussions within the World Bank, a research agenda for culture will be drafted, and projects will be identified where some key operational issues will be implemented and analyzed.

Participants
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Michael Walton (Director, Poverty Reduction (PRMPO), World Bank) and
Sabina Alkire (PRMPO, World Bank; rapporteur), as well as several observers.

The meeting was convened by Michael Walton and Tia Duer, and the sessions were chaired by Michael Walton and Vijayendra Rao, who also organized the meeting.
Nearly fifty countries decided to mark the new century and the millennium by establishing official commissions, or by designating independent entities to promote the cultural and natural heritage of their nations.

In late 1997, it became apparent that national millennium commissions shared many of the same aspirations and faced a number of the same practical issues. In 1998, the governments of Italy and the United States, with assistance from the Howard Gilman Foundation, provided an international forum for the national commissions to compare their respective cultural millennium programs, and to discuss cooperative efforts. The millennium commissions throughout the world continued to meet periodically and foster ideas and programs for the 21st century.

All the participants were impressed to find that at least six common themes dominate the work of the millennium commissions: demonstrating how science and technology shape the future, sustaining the environment, promoting the well-being of children and youth, creating trails and pilgrimages, preserving cultural heritage and preservation, and bringing people together for peace and reconciliation.

Many countries are commemorating their heritage and promoting sustainability through heritage trails that journey through their history, and preserve environments to provide both recreation and spiritual pilgrimages. Countries are harnessing this historic time to showcase their national historic treasures, artistic traditions, and diversity. They are challenging their citizens to envision their future. Preserving heritage is essential to sustaining development and retaining community identity.

The representatives of the national millennium commissions have met three times over the past eighteen months; therefore this meeting in Florence on October 6, 1999, served to allow the participants to report on progress, exchange ideas, and seek new opportunities for international cooperation.

Participants reported substantial progress in the development of national programs to commemorate the new millennium. While these national programs varied greatly depending on the different circumstances of each country, they shared many common elements and were united by common philosophies and assumptions.

In several countries, the year 2000 coincides with important national celebrations, such as 1,000 years of nationhood in Hungary and Iceland, or the millennium of Christendom in Italy.
Iceland and Israel. For Italy and Israel, the millennium brings a great need to accommodate pilgrims and other visitors and to improve the sites of major interest to visitors. Other countries have also seized on Pope John Paul II’s plea for Christians to make a pilgrimages during the Jubilee Year by opening pilgrim trails. The development of heritage trails, pilgrim trails, and greenways is a popular theme, since these trails combine historical, environmental, and cultural elements; serve as a legacy for future generations; and often require involvement of local communities. Some countries have been able to link their heritage trails—Canada and the United States, for example—and others have developed trails based on migration and discovery that inherently involve other countries. Iceland has designated the Norse routes from Norway to Iceland and on to Newfoundland, Labrador, and the Northeastern United States as a heritage trail, and is developing activities along the trail to commemorate the Norse voyages of 1,000 years ago.

Virtually all programs seek to involve communities and gain support of individual citizens. Programs are generally not fully funded by national governments. In most cases, the national government provides partial, often minimal, funding for certain activities and depends on local governments, the private sector, and individual citizens to develop further funding. Communities and private citizens are also generally encouraged to develop activities under a broad framework. While this need to find local or private funding and support creates some uncertainty, members agreed that it is necessary to ensure that the activities are truly national, are relevant to the national experience as defined by the people, and have popular support. Activities ranged from large national events and celebrations, such as France’s nationwide picnic along the Prime Meridian, to many smaller projects equaling a larger whole.

The participating countries’ programs also showed a thematic unity. Nearly all programs were forward looking, taking the arrival of the new millennium as an opportunity to make a fresh start, to do certain things better, or to begin to correct long-standing problems. Protection of cultural, environmental, or historic patrimony is a major undertaking of the commissions, usually with a view of making this patrimony more accessible and understandable to future generations. Most commissions also have developed programs focusing on youth and children, taking the new millennium as an opportunity to create a better environment for new generations. Others have focused on preserving important local cultures, subcultures, immigrant cultures, or indigenous cultures.

The millennium commissions are addressing these critical community concerns through a broad variety of programs. From designated millennium town spaces in the 435 communities in Norway; to restoration of city parks in the United Kingdom, to sponsoring community festivals in Mexico; and to designating Millennium Communities in the United States, there is an urgent recognition that viable communities offer their citizens a cultural and economically sustainable path to the future.

Although most millennium commissions have an overwhelming responsibility to engage citizens in the goals, several cooperative programs have emerged. The national millennium commissions are joining together under the leadership of Canada to invite youth to address the challenge of racism and ethnic intolerance throughout the world. Another coordinated effort will promote philanthropy, and ask people to give gifts to the future. Lead by the United Kingdom, the 91 commissions are linking together through a universal website listing their activities to commemorate the 21st century.

It is in this spirit that the national millennium commissions convened again under the auspices of the World Bank Conference on Financing, Resources, and the Economics of Culture in Sustainable Development to encourage the preservation and promotion of culture in communities around the world.

Millennium Commissions Activities

Canada. Heritage and culture are intricate themes of the Canadian millennium celebration as funds for new works of art and partnerships for community-based projects are created. Canadians see the millennium as an opportunity to talk, celebrate, write, and learn about history and culture. Preserving indigenous arts, crafts, and cultural skills will be emphasized through books, film, art, theater, and the Internet.

Restoring historic buildings and creature heritage trails to link communities are among the important projects which the commission will promote. The projects are funded in part by the
government with the remainder coming from community support. Raising funds at the grass-roots helps ensure community involvement, support, and commitment.

France. The French commission is organizing and supporting over 250 events, including a party on December 31, in which the municipalities of the country will erect large doors to open and greet the New Year. A festival of music and picnic along the Greenwich Meridian have been planned as well. These large rallies will give all citizens the opportunity to interact with each other at the dawn of the new millennium.

The commission has signed agreements with about 20 municipalities to support a program in which a particular city will be focusing on a particular theme, from youth and youth programs to space and the planet Earth. The central government has signed agreements with municipalities in which the projects will be decided at the local level. The Commissions will be one of the sponsors of the Literature Express Train, which will tour through 11 countries with 100 writers from 35 countries.

Hungary. The new millennium coincides with the 1,000th anniversary of Hungarian statehood. Emphasis has been placed on programs that will preserve historic sites, build new facilities, and create new art. The commission will be giving support to Hungarian communities in Austria, Poland, Czech Republic, and Slovakia that have a shared history. The commission will declare a special day of the family, on Gifts to the Future Day, February 29, 2000.

Iceland. The Leifur Eiriksson Millennium Commission will commemorate the discovery of North America with the construction and sailing of a Viking ship along the route sailed 1,000 years ago by Leifur Eiriksson; the ship will arrive in Newfoundland on October 9, 2000. Meanwhile there will be exhibitions of contemporary and classical Icelandic art in North America, and a large Smithsonian exhibition in Washington, DC.

Musical and theatrical events commemorating the turn of the last and current millennium have been planned, with a large music festival in the spring of 2000. There may also be collaborations with other countries through the Nordic Council of Ministers. Iceland will also be celebrating the recognition of the parliamentary decision recognizing Christianity as the national religion.

Israel. The year 2000 is important for Israel as it will link the people of the Holy Land, a connec-
tion between the past and the future. The main themes of the Commission are reconciliation and mutual respect among people and honoring a country where three monotheistic religions started.

The year 2000 will be a turning point for the tourism industry as the number of tourists are expected to double in the next several years. Year 2000 will not only see investments in tourism infrastructure, but also in celebration and preservation of the culture of Israel. One of the programs—2000, the Concert—will take place in all the denominations of churches in Jerusalem throughout the year, as they celebrate the city and its many artists. The majority of these events have been financed by the private sector with the Israeli government contributing approximately 30 percent.

Italy. The focus for the Italian capital is to change the city, working in the tradition of the Jubilee years, which normally spur building and change. Rome expects to host as many as 30 million pilgrims throughout the year 2000, doubling the normal yearly visitors. This will have a major impact on the historic center of Rome.

Major efforts are under way to coordinate different local authorities to ensure that services will be available for all visitors. The Adopt-a-Monument program will encourage schools to study and support historic restoration. Italy will host a major conference on “migration in the next century” and will present a charter of citizen rights to encourage integration of immigrant groups while respecting cultural diversity.

Norway. Norway’s goal is to promote cultural change and innovation with focus on looking to the future rather than reflecting on the past. Norge 2000 has a mandate through year 2005 with an ultimate wish to promote peace and reconciliation. There are 200 projects nationwide, relying largely on signs and symbols, including a millennium flame and nationwide system of beacons.

Pilgrim Sail will send Norwegian sailing ships to different countries; stops are planned now in London, Brest, and Trondheim, with a peace message carried by Balkan young people trained in conflict resolution. There are also plans to create a pilgrimage map of Europe.

Philippines. The National centennial celebration was held last year, so few special programs are planned for the millennium. Rather the country will be focusing on a theme of oneness and
national identity. The Philippines has a long history with other countries—Spain, the United States, Japan—all of which have had a big impact on their culture. They will try to focus on the 2,000-year history of the Philippines rather than the history since the Philippines was formed. There will be a focus on the indigenous populations who have remained unchanged for thousands of years. The commission wants to open a National Gallery which would be a permanent place to house the creativity of its people and to stimulate the creation of new art.

**South Africa.** Millennium programs will be linked to fund-raising activities to benefit children, the disabled, and the poor. A concert on Robin Island will be one international event. Special programs will be hosted in other cities throughout the country.

**Spain.** The programs will be focused in Seville and branch out to other cities in Spain rather than having a central government program. The main focus will be on multiculturalism, children, and international cooperation.

All the planned programs will make people reflect on themselves and to act together. The program will also host the first interactive museum of music in Europe. This project will be able to connect international channels and opinion programs, one that will integrate the individual citizen into the larger community and to integrate Seville into the global village.

**United Kingdom.** The millennium commission launched a program which provided 20,000 small grants for local communities to finance millennium celebrations. These celebrations will be extremely diverse and reflect the character of the individual townships. The millennium stadium in Cardiff opened to welcome the Rugby World Cup and has become very well respected mainly due to the local grants that were provided.

The commission has proposed that an Internet site be established to provide a presence for the millennium commissions and to provide easy access of information on millennium activities through hot links. The United Kingdom can develop and manage the site, but promotion must be the responsibility of the commissions or others in individual countries.

**United States.** The outcomes of the millennium events are to encourage creativity and generate citizen participation with the goal to provide leadership and stimulate activities. Save America’s Treasures is a project focusing on 100 endangered historic sites and bring support through private and public funding. The millennium trails program has been established to create greenways and recreational trails for culture, heritage, recreation, and other purposes. These trails have been established from abandoned rural roads and railways. Currently, 16 national millennium trails have been established with the plan to announce 47 state trails. Local communities are encouraged to develop trails. The Millennium Green program will plant 40,000,000 trees to preserve gardens and forests.

**Experience with private sector support.** The Israeli program offers tangible advantages to business. It is often easier to gain support through advertising and the media. The United Kingdom has had good success when corporations compete for exclusive sponsorships. Often, private sector support of many small projects becomes substantial when looked at as a whole. In Canada, there is a need to strike balance between private sector support and excessive commercialization. Corporations use projects in their advertising, which can help publicize millennium projects, but also tie projects to the corporations in a commercial way. The United States has had success directing requests for corporate support to areas of corporate interest. However, a problem exists when corporations are multinational and have a diminished sense of national identity.

**Racism: Stop It Action 2000.** This program is a partnership linking youth, governmental organizations, NGOs, and corporations to promote the end of violence and hatred. It will invites 18- to 21-year olds to take one of 21 different challenges to eliminate racism in their schools. Youth teams will be chosen to come together for national meetings. A conference will be held with artists from around the world in early March. The concert will be broadcast internationally March 21 and a web site has been created for this event. The web site will contain a Stop Racism cyber petition with the ability to post messages. The United States and United Kingdom are cooperating with this project.

**European Union.** European Union members have committed to cooperate among themselves and to keep informed about millennium events and programs. The EU is concentrating on a small number of ongoing projects that show promise of having popular support. Programs with a European focus can expect to receive a special EU logo and special EU patronage. Over 80 percent of projects are addressing culture.
The Vatican. The Pope is encouraging everyone to go on a pilgrimage in 2000. The European Pilgrimage 2000 is linked to the European Council of Churches. These pilgrimage routes lead to holy sites and common cultural heritage. Visitors will see natural and built heritage sites and appreciate local practices and religious traditions from every faith in the world. A plan has been made to establish a pilgrim map of Europe, similar to the Middle Ages pilgrimage trail already marked in Norway.

Designation of Special Days.
- The United Kingdom’s Designation of Gifts-to-the-Future Day, February 29, 2000, will be dedicated to youth. People will be encouraged to donate to charities their last day’s earnings of the millennium in order to benefit the children of the new millennium. It will use February 29 as a day to announce the fundraising results along with other countries that are doing the same thing (South Africa and Norway).
- United States will announce its plan at the White House National Conference on Philanthropy, October 22.
- Hungary will declare a special day of the family.
- Iceland will host a special day dedicated to fighting drug abuse.
- France will host a children’s concerts and other events.
Thematic Working Group 5
Cultural Conservation in East Asia

Organized by the World Bank

Over the past 15 years East Asia has experienced tremendous economic growth. This growth however has been at the expense of some of its valuable historical heritage and cultural diversity. Historic sites and traditional arts have suffered in the push for modernization and economic development. There is now a growing awareness of this loss and recognition that cultural heritage preservation and modernization need not be mutually exclusive activities. This has led to increased interest by the region’s governments in developing strategies and activities which promote conservation in a way that contributes to their economies and social welfare.

The purpose of the working group was to expand the Bank’s understanding of cultural issues and priorities in East Asian countries and provide a forum for an exchange of ideas among these countries. The working group brought together delegates from nine Asian countries and around the world. Representatives from Cambodia, China, Indonesia, Laos, Mongolia, Papua New Guinea (PNG), Philippines, Thailand, and Vietnam were invited to present country briefs illustrating their country’s unique cultural heritage situation. During the course of the day, country representatives discussed their priorities for cultural heritage activities; the major constraints they face in accomplishing their goals; and the ways in which the World Bank, other donors, and specialized institutions can be most helpful in accomplishing their goals. The working group also benefited from the participation of specialists from Australia, Denmark, Fiji, Germany, Israel, Italy, Japan, Palestine, the United Kingdom, and the United States. The Italian Executive Director of the World Bank, Franco Pascautando, addressed the delegates to express his support for the Bank’s involvement in cultural heritage activities and to commend the East Asia Working Group for being “the group with the richest diversity” at the conference.

While each working group delegate presented a briefing paper developed according to the specific cultural assets, priorities, and constraints existing in their countries, seven central themes quickly emerged as commonly held priorities for action. These themes were the need for investment in activities to promote:

- Cultural conservation activities which provide economic and social benefits to surrounding communities;
- Community education and awareness campaigns to increase understanding and appreciation of cultural heritage;
Thematic Working Groups

- Respect for cultural diversity and the importance of an evolving contemporary culture;
- Urban revitalization and economic development which is balanced with conservation;
- Cultural enterprise development and employment generation through culture based activities such as sustainable tourism; and
- Development of cultural conservation policies and the refinement of legal, regulatory, and incentive frameworks.

Working group delegates also attended a series of special events which took place throughout the week. A presentation on the Global Culture Finance Initiative was given by Peer Stein of the International Finance Corporation. C. Lotti & Associati and ARS Progetti hosted a dinner and presented their work on cultural heritage projects in Sichuan and Chongqing, China. A study tour to the walled city of Lucca, which included a tour of the Ducal Palace (currently under restoration) and lectures by government officials and restoration specialists, was sponsored by the city of Lucca. The visit served to illustrate first hand this modern city’s strategic approach to integrating its historic assets with its contemporary economy. In this regard, city authorities stressed the importance of conserving historic buildings for active, daily community use.

Summary of Key Themes

The following is a more in-depth summary of the activities which delegates presented as their highest priority for investment.

Investment in conservation that benefits local communities

There was widespread support among participants for the importance of investing in cultural conservation activities which provide benefits to surrounding communities. The group strongly endorsed the principle that conservation should be combined with activities which address poverty by generating benefits such as enterprise development and job creation. Important benefits were also seen as resulting from conservation activities which have great aesthetic, cultural, or historical value for local people. The benefits in these cases are the opportunity for self-expression or an increase in community pride and self-confidence. The working group felt that when clear linkages between conservation, sustainable development, and local benefits are made, communities are much more likely to take ownership of and responsibility for their cultural assets, thereby effectively protecting and preserving them.

One of the Thai delegates reinforced these ideas in her comment, “Historic conservation must have relevance to the immediate needs of the community. You cannot implement cultural activities...from an elitist viewpoint. When you conserve heritage sites they have to give some returns to the local people.”

The Indonesia country brief focused on the need to stimulate grassroots participation in cultural activities, particularly in the living arts. The emphasis on local level activity is a high priority because of its potential to increase self-confidence and self-sufficiency, and to empower communities to take charge of their cultural assets and fully participate in their own development. The brief stated, “Particularly needed are practical approaches and supporting policy and programmatic frameworks, to bring out awareness, pride, creativity and leadership at the community level.”

Investment in community education

The Cambodian delegate stated that the single most important priority for his country is education that re-establishes an understanding and appreciation for cultural heritage at all levels “from the poorest villager to the university student and the government official”. In this way, he stated, national community values are reaffirmed, conservation is ensured, and tourism which is both dignified and harmonious can be developed. The importance of education at all levels of society was reinforced by the delegate from Thailand who advocated training and education in cultural heritage conservation for both local communities and government authorities in order to increase these two groups’ collaborative efforts for cultural conservation.

Country briefs for China and PNG both emphasized the importance of public awareness campaigns and education to encourage active community appreciation and participation in conservation activities. The Lao PDR and Philippines representatives mentioned the need to introduce curricula for the appreciation and understanding of art, history and culture (especially minority peoples) in the primary and secondary school levels.
PNG, Philippines and Thailand all expressed a need for more training in cultural heritage conservation for professionals, government officials and community leaders. In the course of discussions many other educational initiatives were mentioned, including teacher training, international exchange programs and development of graduate programs.

**Investment in Cultural Diversity and Living, Contemporary Culture**

The PNG delegate to the workshop noted the importance of respect for cultural diversity: “Because it is government policy that while we may strive for nationalism and national unity, this should not be done at the cost of the cultural identity of the various groups.” He went on to stress that culture is a living, changing phenomenon which must be enabled to grow and change. He added that “investment in the arts and culture of today will not only create the heritage of the future but reinforce respect for past culture.” Participant comments enthusiastically supported the importance of looking at living culture as well as built or material culture.

The Indonesia country brief emphasized this stance through its focus on everyday culture: “For us, the most important expressions of culture at this time are not the monuments, relics and art of the past, nor the more refined expressions of cultural activity that have become popularized beyond Indonesia’s borders in recent years, but the grassroots and very locally specific village-based culture that is at the heart of the sense of community.” The Mongolian delegate’s brief emphasized his country’s commitment to document and protect the traditional knowledge and technology, material culture and customs of Mongolia’s nomadic peoples.

**Investment in job creation and cultural enterprise development**

The delegates were almost unanimous on the importance of linking conservation to investment in cultural enterprise development and job creation. A delegate from the Philippines emphasized the importance of training government and community leaders to determine the economic viability and sustainability of cultural conservation projects and several countries, among them Philippines and Vietnam, expressed the need for help in documenting the overall economic benefits of investing in culture.

Almost all delegates mentioned the unique potential of cultural tourism to generate foreign exchange and investment, jobs for local residents, and revenues for historic sites. However, the group recognized that tourism can have substantial social, cultural, and environmental consequences which require careful thought and planning. Mongolia, Lao PDR, and Vietnam expressed a desire for technical assistance in planning respectful and sustainable tourism which will protect the environmental and cultural assets in their countries.

**Investment in urban revitalization**

China stated the desire to revitalize urban areas by striking a balance between economic development and cultural conservation. The delegate emphasized the importance of coordinating construction projects and archaeological work, preserving traditional neighborhoods, incorporating tourism into revitalization plans and coordinating with local governments in all these activities.

Indonesia mentioned that urban revitalization projects could be particularly helpful in reorienting local and central government to their role in conservation, developing policy instruments which can coordinate the complex cross-sectoral, multi-agency, and multi-regulation context, establishing incentives for development that includes conservation, and mobilizing additional funds for historic site preservation, public access, and supporting infrastructure.

A representative from the Philippines said that as one of the fastest urbanizing countries in Asia, his country is intent upon stimulating investment in urban conservation and revitalization that is holistically integrated with economic development and support for living culture. He went on to state that tourism in the Philippines accounts for seven percent of the country’s gross domestic product and employs nine percent of the workforce. “Given this scenario,” he said, “the most important opportunity in cultural preservation...is historic revitalization in urban areas.” He added that the “goal is not to preserve our heritage structures and sites as museum pieces, but as sites and spaces where people can interact and add life to them. More importantly, our thrust is to make conservation economically viable so that it contributes to the economic development of our city.”
Lao PDR seconded these observations, by also stating that one of their most important opportunities for attracting investors and jobs is through urban upgrading that is integrated with historic conservation.

Investment in historic site development and management

The Mongolian representative stated that one of his country’s top priorities for action is the “protection and restoration of Mongolian historical and cultural monuments and nomadic civilization’s heritage.” A delegate from the Philippines pointed out the importance of tangible artifacts in teaching the value of heritage and asked for help in the preservation of historic buildings. While focusing on the revitalization of grassroots living culture, Indonesia has also identified and is seeking support for preserving material culture through the conservation of archeological, urban and religious sites.

Investment in developing policies and strategies—regulatory, legal and incentive frameworks

Thai delegates reported that their current national development plan has no provisions for the conservation of Thai culture and requested support for the creation of a plan that includes effective policies and strategies for cultural preservation. They described their desire to put in place a consultative, grassroots process by which local level experience and decisions would be filtered up to the national level. China underscored the need for the legal protection of cultural relics and incentives to guide conservation efforts and direct resources to priority targets. They emphasized the importance of thorough research, documentation, and inventories to form the basis for this protection and targeting. Indonesia is planning a comprehensive conservation policy and strategy on the island of Bali which will include a systematic cultural heritage inventory. Vietnam and Lao PDR expressed the need for their legal and regulatory frameworks on historic conservation to be more specific and complete.

Panel summary

A panel convened to summarize and add perspective to the day’s discussions, which included representatives from UNESCO, UNDP, Italy, the World Bank and the country delegates. The moderator, Timothy Rothermel (UNDP-PAPP), commended the level of the day’s discussions.

Dr. Utis Kaothien of Thailand commented that he was most struck by the discussion on the necessity of involving the grassroots community in the planning, development and management of cultural heritage sites. He said, “In fact unless we are able to provide [the local people] with benefits, it would not be supported and would not be sustainable at all.”

Zhang Zhun, World Bank consultant and institutional specialist from China, noted that in his experience the authorities who make financial decisions in developing countries have important priorities such as clean water, infrastructure and pollution control which they place in front of spending for cultural conservation. All those working to preserve cultural heritage have difficulty in convincing their finance ministers that cultural conservation has an economic benefit. There is a great need, therefore, for the economic studies that can quantify the benefits of cultural heritage conservation.

Richard Englehardt, UNESCO, stated that two basic issues were repeatedly identified as underpinning the nexus between cultural conservation and sustainable development: (1) conservation of local cultural resources and traditional practices is the key to the preservation of cultural identity; and (2) local ownership of cultural resources is a prerequisite for the development of those resources to benefit the local community and thus serve as an instrument for poverty reduction and sustainable development. From these two issues emerged the identification of grassroots or local community participation as the single most important need, which should be met and addressed as the objective of development assistance activities, with particular emphasis on the following:

- There is the need to broaden the base of participation in, responsibility for, opportunities for investment in, and as a consequence, the number of (groups of) stakeholders who benefit from conservation of cultural resources.
- Grassroots, or local community, participation in the conservation of heritage resources and the development of cultural industries should be promoted and assisted in ways which safeguard from depletion the stock of cultural capital and make evident the connectivity between
improved conservation of physical cultural heritage, development of local intangible cultural expressions, and the creation of jobs and other direct financial benefits.

In general, he felt that there was agreement that investment in the traditional cultural fields of monumental restoration and tourism infrastructure, although continuing to be important, are not the most critical priority areas in the culture sector where future investment will be needed. In light of this analysis, he suggested that investments in the culture sector which are likely to promote sustainable development should be directed into structural reforms which ensure local ownership of heritage properties (movable, immovable and intangible); job creation; and financing of cultural industries, based on living cultural practices.

Raja Iyer of the World Bank, in emphasizing the third issue which delegates were invited to address in their country briefs (donor community’s role in cultural heritage) posed a series of questions:

- What role, if any, do countries see the World Bank, other donors and specialized organizations playing in addressing their needs in the field of cultural conservation? They clearly envision the donor community bringing international experience and expertise, as well as funding, to developing countries. The areas emphasized for assistance today were: developing frameworks and strategies at the national and local level; institutional capacity building in the form of human resource development and budgets; and implementation programs which include infrastructure development, heritage site improvements and support for living culture programs.

- Where does the Bank’s comparative advantage lie? The Bank’s strengths lie in its ability to leverage technical support and financing through partnering with organizations like UNESCO, the Government of Italy, and other specialized agencies. The Bank also has “considerable experience” in the analytical work of economic development. The Bank is in a unique position to raise the issues of cultural heritage in its project work and increase the interest of government, NGO, and civil society in cultural heritage, thus providing greater budgetary support. Another of the Bank’s strengths is the advocacy of Mr. Wolfensohn, who stresses the importance of cultural heritage to world leaders with the goal of acquiring additional financial resources for these activities.

Lana Abu-hijleh of the UNDP Programme of Assistance to the Palestinian People, pointed out that “culture is not a sector that we need to look at unilaterally, it is a cross-cutting issue…When we started work in Palestine it was very difficult to have any funding for cultural projects. How can culture stand in front of employment generation, in front of environmental concerns… but we found opportunities within programs that the UNDP was funding.” She gave several examples of adding culture to standard UNDP work such as using theater, dance and music in outreach and community awareness campaigns and creating employment opportunities through reviving and teaching ancient, but currently cost effective, construction techniques. She added that modern development agencies and countries “can integrate culture as the backbone of their planning, policy and project identification and implementation especially if they work with their partners—the people, the community, the civil society.”

Daniele Fanciullacci of ARS Progetti mentioned that one of the most important points of the day was the need for human resources development, training and education. Several delegates mentioned the need to revise school programs in order to increase student appreciation for cultural heritage and promote understanding among different ethnic, social and religious groups. One response to this might be the development of centers of excellence shared among countries or regions.

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Dr. Roberto Ciarla, Archaeologist
Ms. Paola Dematte, Research Associate, UCLA Institute of Archaeology
Mr. John Semone, Managing Director-Europe, Pacific Asia Travel Association
Mr. Peer Stein, Investment Officer, International Finance Corporation

Panel Members

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Mr. Richard Englehardt, UNESCO Regional Advisor for Culture in Asia and the Pacific
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Mr. Timothy Rothermel, Panel Moderator, Special Representative of the Administrator, UNDP Programme of Assistance to the Palestinian People
Mr. Zhang Zhun, Senior Engineer, Institutional Specialist

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Mr. Mario Cucarzi, Director, Fondazione Ing. Carlo M. Lerici
Mr. Donald Hankey, GHK International
Mr. Per Hansen, Architect, Planning Consultant, COWI Consulting Engineers and Planners AS

Mr. Earl Kessler, Deputy Director/Urban Programs, USAID/Global Environment Center
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Thematic Working Group 6
Sharing the Wealth: Improved Sustainability through Integrated Conservation Planning

Organized by the World Monuments Fund

This working group, sponsored by the World Monuments Fund (WMF), discussed the effort of private conservation organizations in conjunction with corporate partners to support the conservation of cultural heritage sites in danger. Two case studies of endangered World Heritage sites were presented: the cultural landscape of the Cinque Terre National Park (Liguria, Italy) and the Spanish colonials forts of San Lorenzo and Portobelo in the Caribbean coast of Panama, Central America.

The idea was to explore the possibility of generating a model for protective action to be implemented in sites similar to the case studies where natural and cultural resources are intertwined. Both cases occur in rather different sociopolitical and economic contexts: a rural European landscape in the case of the Cinque Terre and a marginal developing zone in the case of Panama.

In both instances, the social actors are key to the success of conservation. There is an urgent need to research and recover traditional ways of life and modes of production. The overlap between natural and cultural conservation issues needs to be articulated through the participation of local community members within these dynamic culture-scapes.

Control of mass tourism and the utilization of analytical tools like geographic information systems may complement first-aid conservation actions necessary to mitigate rapid deterioration. Substantial cross-pollination between cultural and natural conservation disciplines remains to be undertaken; this working group discussion has initiated exchange at the case-study level.

Through discussions of this working group and future meetings, WMF hopes to facilitate the development of institutional partnerships for future field project collaboration and begin the difficult and fruitful process of coordinating methods and agendas with other conservation organizations. Several themes emerged from the discussions of the working group:

- Theoretical foundations of integrated conservation for cultural landscapes;
- Interfaces of cultural and natural resources, types of interdependence;
- Obstacles to integrated project planning and site management;
- Benefits of joint project design, assessment criteria, and field work;
- Case study evaluation toward development of a transferable model;
- Economic benefits of cultural and eco-tourism; and
- Prospects for institutional partnership.
Background

For the last two years, the subject of integrated conservation has been studied and discussed by the WMF staff as a theme for future field work. Based on the recommendation of experts convened in Yulee, Florida, in March 1998 for the conference entitled “Towards a Common Method for Assessing Mixed Cultural and Natural Resources: A Case Study Approach,” WMF has selected two representative sites for discussion during this working session in Florence.

Considered as a single linked site, the San Geronimo and San Lorenzo Spanish colonial fortifications in Panama were constructed between 1596 and 1779 to facilitate the transport of gold and other resources from Central and South America to Spain via Caribbean ports. Both were listed on the World Heritage List and the World Monuments Watch; both will see a direct impact by the turnover of the Panama Canal Zone (July 1999). Both are now characterized by the coexistence of interdependent and endangered cultural and natural resources.

The Cinque Terre were also inscribed on the 2000 World Monuments Watch List. These are part of an important and fragile cultural landscape on the Ligurian coast, threatened in part by neglect of the traditional terraced vineyards. The conservation of the natural elements—soil, stone, and vegetation—is inseparable from the protection of the built environment, since agriculture historically supported the towns and because landslides now menace the structures between the weakened terraces and the sea. Shared tourist revenues, if properly coordinated, may hold the key to sustainable preservation of all the irreplaceable resources.

Over the next 18 months, WMF will conduct a pilot field project at San Geronimo and San Lorenzo to demonstrate the value and efficacy of integrated conservation planning. The participants in this working group represent some of the agencies and partners which will contribute to the success of this effort.

Rationale

A wide and growing range of questions stem from a separation between the allied disciplines of cultural and natural conservation. Many wilderness areas are actually the product of generations of human settlement; fragile animate and inanimate resources are frequently disturbed by the aggressive activities of assorted field researchers. One scientist laments that “unfortunately, western and other civilizations have long viewed nature and culture as distinctly different subjects. Perhaps their separation is one of the root causes of our current environmental problems.” While sound research in the fields of biological and cultural heritage conservation has kept pace, few studies examine the prospects for collaborative survey, monitoring, and problem-solving.

It remains for concerned professionals and other interested parties to attempt to bridge this gap and assess bilateral impacts of biodiversity enhancement and cultural heritage preservation. Though biological and cultural conservators currently employ distinct sets of field practices, objectives, and analytical systems, it is increasingly problematic to address biological and cultural survival separately; more compatible methods for in situ assessment, conservation, and maintenance will have significant long-term advantages.

Conservators of endangered natural and cultural resources may benefit from a consistent, cross-disciplinary language and assessment system. It may also be useful to develop cultural routes which correspond to the Mesoamerican Biological Corridor. The proposed pilot project is designed to stimulate and facilitate exchange while generating a synthetic response to an under-studied pair of twin historic sites. The project also will fulfill the purpose of the World Monuments Watch program by identifying and implementing the conservation treatments needed to diminish primary threats to the sites’ integrity and longevity.

Participants

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Claire O’Nell, translator
Jenone Walker, World Monuments Fund, Vice President for Europe
The aim of the Working Group is not so much that of supplying definite answers to the many problems raised and to the various positions formed as that of giving a succinct but significant overview of ongoing trends and possible alternatives. The museum is one of the few major functions and institutions of modern society to have fairly recent origins and a much discussed future, but nevertheless holds a key position in the cultural heritage economy. The museum preserves and works to exploit most of a country's movable cultural heritage. The museum supplies a considerable portion of "real" cultural services to the general public. The museum is also central to a "virtual" exploitation of the cultural heritage through telematic networks. The museum is a gateway to the territory in the sphere of cultural tourism.

In what ways and towards what models is the modern Museum tending to develop? Listed below are five areas that were examined in the working group to highlight current problems and outline the development trends of museums.

Museums and the territory

This first area was an opportunity to provide a clearer definition of the meaning and functions of a modern-day museum, this being a place where one can understand and interpret the cultural identity of a territory. This definition is of course of greatest relevance when the museum is bound to a precise local dimension. Several points were made in discussion including the following:

• Need to re-evaluate so-called minor cultural assets;
• Use of museums to showcase a country's heritage, disseminated through a virtual reconstruction of the context or simulation of virtual objects in real contexts;
• Need, as expressed by the heads of regional administrations, to enhance urban and local museum systems;
• Potentiality of cultural parks and the relationship between archaeology and the territory;
• Relevance of museums in relation to the development of highly qualified tourism.

In this area, the point was stressed that a museum can have a great impact on a city's economy (like the Guggenheim Museum in Bilbao). All of the above points demonstrate the need to incorporate museum policies in a global vision of regional strategies designed to enhance the territory.

Preservation and Communication

The principles underlying the preservation of unique and highly perishable objects on the one
hand and their mass exploitation on the other are generally a source of conflict and contradictions for traditional museums. But without wishing to minimize the role of museums in the preservation of the historical-artistic heritage, the question of communication was closely examined and deemed to be of great importance. It was indeed highlighted that the biggest shortcoming of modern-day museums is their inability to communicate both the actual meaning of objects on display and their connection with the original or reference historical-geographic context.

The pivotal role of communication in modern-day museology brings up a number of other issues:

- Importance of the exhibition function, which should not be confined to a few extraordinary events;
- Need to choose exhibited works according to what (and how) one wishes to communicate;
- Potential of new technologies in terms of security and fruition (real and virtual exploitation);
- Need to provide museum staff with new professional skills, especially in the field of communication and the popularization of culture.

These points, in short, show up the need to create a totally new perception of the mission, functions and organization of a modern-day Museum.

**Museum as a Service**

Several aspects underline the educational function of museums, or rather the relationship between museums and schools, on the subject of which interesting initiatives have been carried out in Europe. These aspects include the following:

- Museums and the territories to which they belong;
- Museum systems and networks;
- Integration of museums with other cultural institutions (libraries, media-libraries and archives); and
- Museums and cultural tourism.

The idea is to include museums in the educational and formative process, for both collective and individual fruition. This is rendered possible by new telematic and multimedia technologies and by the collaboration of museums with other centers in possession of cultural documentation (media centers). It was stressed that new technologies allow innovative forms of group/team work through the creation of virtual discussion and information exchange communities.

**Museum networks**

The question of new technologies was closely examined in relation to the impact of the “information society” and the possibility of gaining multimedia access to the world’s cultural heritage through the creation of museum networks. The main points discussed include the following:

- Interconnection of structures and system interoperability;
- Cataloguing of heritage assets and the creation of meta-databases;
- Intercultural and interlingual communication;
- Semantic search engines;
- E-commerce in terms of contents and cultural services;
- Security and copyrights;
- Creation of new products and multimedia services;
- Interactivity, customized and integrated network services.

The main problem to be faced is not that of the development and application of new technologies, but rather the uniformity of technologies and products deriving from different cultural models. In other words, the networking of museums, especially on a world level, entails more of a cultural than technological effort, posing the problem of intercultural communication in addition to that of multilingual communication. It was also stressed that the transfer of technology to developing countries must be done very carefully and sensibly, according to the actual usefulness and efficacy of actions.

**Running of Museums**

The final area of discussion centered on the economic exploitation of the cultural heritage and on the various aspects of museum management which included the following:

- Legislation in force and funding sources for museums, with an appraisal of ongoing experiences;
- Basic and additional services;
- Demand trends and tendencies;
- Public and private functions of cultural heritage management;
- Concept of management in the sphere of cultural heritage;
- Quality control in relation to the contents of cultural communication.
In this area, we should bear in mind the main aims of the Conference and of developing countries in particular, which view the enhancement of their cultural heritage as a development opportunity. On this point, it was stressed that museums are veritable tourist attractions, but above all, sources of cultural contents underpinning the production of goods and services to meet fast-rising demand. Here we should make a distinction between personal services and remote services, the latter being tied up with multimedia products and networks. While the former constitute important factors of economic development, both direct and indirect, for less well-off areas, the latter tend to be of general and growing importance.

The Civita Working Group included experts and representatives from cultural, academic, institutional and business worlds that have a direct and deep knowledge of ongoing problems and trends in the subject areas examined.

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Thematic Working Group 9
Cultural Policy and Sustainable Development: The Art of Regenerating Partnership Proposal in South East Europe

Organized by the Council of Europe

The Council of Europe Thematic Working Group had two objectives:

- To articulate the key role that democratic cultural policy can play in achieving the objectives of culture and sustainable development and how a partnership between the Council of Europe and the World Bank could further this objective; and
- To present a concrete proposal for a partnership among the World Bank, the Council of Europe, and other partners in South East Europe. This proposal, “The Art of Regeneration”, focuses on developing a series of strategic city initiatives. It illustrates how cultural policy, in the service of sustainable cultural development, can contribute to the regeneration of civil society, economic development and social cohesion.

Culture and Sustainable Democratic Development

Two related events, the development of a global economy and the collapse of the Soviet Empire, have brought a different context and different concerns to dominate the international political agenda. Culture and identity have come to assume a paramount importance in national, regional and international political discourse. It is increasingly recognized that culture is a central factor for national social cohesion and regional stability, as much as for development itself. There is a pressing need for international institutions and organizations to join forces and use their relative strengths to further common objectives for advancing the project of culture and sustainable development.

The Working Group began by assessing the different strengths and capacities of the two organizations, the Council of Europe and the World Bank, and the added value that could be realized through their partnership in carrying forward a project centered on culture and sustainable development. For example, the central concern of the Council of Europe is to sustain and strengthen democracy and to ensure the development of democratic policy. The organization is seeking to find ways to ensure that diverse cultural communities, at the local level, can identify with such cultural policy. For the Council, sustainable development is democratic development.

In this the Council of Europe has relative strengths in helping states develop democratic cultural policies and in particular has experience in assessing the incentives and regulatory structures for culture in different states. It is democratic policies, regulatory structures and incen-
Thematic Working Groups

A Concrete Proposal for Partnership: The Art of Regeneration

The Council of Europe envisages implementing with COMEDIA (Cultural Consulting, Research and Planning Bureau) a program called the Art of Regeneration. The Program is potentially global in its applicability, but as a first step it is being housed within a Council of Europe Project called MOSAIC, which focuses on developing an open and strategic plan for cultural policy in the states of South East Europe.

The Art of Regeneration Program will create a series of grassroots inspired city development strategies focusing on the cultural infrastructure of one city in each of the following states: Croatia, Bulgaria, Romania, Albania, the former Yugoslav Republic of Macedonia, Federation of Bosnia and Herzegovina, and Republika Srpska (Bosnia and Herzegovina) as well as Kosovo. The development strategies will function as pilots, promoting innovative integrated urban redevelopment and cultural cohesion. Together they will form a mutual learning network, which will promote cooperative reconstruction and regional stability.

The program will seek to identify and encourage initiatives that foster and sustain civic engagement and regional identification, economic recovery, poverty alleviation, and urban renewal. It will encourage grassroots engagement in exploiting the economic viability of the culturally rich landscape. A key aspect of the Art of Regeneration will be to encourage recognition of the value of difference in the process of regeneration. Civic and regional pride and popular identification with a process of reconstruction is the bedrock of sustainable development.

Every city has unique and distinctive assets; resources and a culture to work with, from food to physical heritage, to artistic talents, to a local skill base, as well as niche products and services, that if used appropriately can create manifold spin-offs. To believe in belonging, citizens must be convinced of this.

Investing in urban renewal is a powerful means of investing in peace and stability because it is a central part of a process which can, when undertaken properly, combat poverty and prejudice. One of the most effective ways to encourage urban recovery in situations of post-conflict is by stimulating livelihoods through drawing on local human, social and cultural capital resources. A principal resource in this context is the willingness to work across ethnic boundaries. It means making maximum use of local resources, both human and material, and giving priority to employing local experts and workers so that the rebuilding of the job market and the local economy is stimulated from within.

Development, so conceived, can help achieve multiple objectives. It may be through re-adapting a particularly sensitive heritage building to new purposes that fit into an inclusive urban development plan; it may mean rethinking the programs of typical cultural institutions like libraries, galleries or museums so they stimulate local engagement and help reduce poverty. In any case, it means empowering communities to actively make decisions about their own future, and about how they will achieve economic and social spin-offs through cultural development.

As well as promoting creative practice in economic and social reconstruction, the Art of Regeneration is a theory of development. It points to the need to involve the local actors in generating the ideas and practice of development. Local culture and lifestyles and local decisions are the context for reaching regional and global markets and not the reverse. Re-rooting development in the local culture is a strategy, which promotes
democratic cultural policy. Cultural policy can find itself directly influenced and relevant to local needs.

Outputs
The “Art of Regeneration” will respond to neighborhood, small- to micro-business and community-based initiatives. Expert help will be focused on developing strategy, feasibility and business planning; and convening investor/donor forums. The outputs and phases of the program are fourfold:

- The creation of a participative process which brings together stakeholders across interest groups and ethnic boundaries, to discuss a forward-looking, inclusive, jointly agreed and commonly owned vision of their city.
- The identification, costing and location of investment and funding for a diverse range of opportunities. With these resources, to initiate a series of key renewal and rehabilitation projects to act as spurs for development.
- The establishment of locally owned mechanisms, which will implement the strategic, vision from public/private regeneration task forces to community development forums.
- The identification of principles and practices of working which enable projects which are initiated to become replicable learning initiatives. From this to develop an exchange program and mutual learning network, between participating cities and beyond.

The Art of Regeneration is not associated with any particular geographical region. It will be initially implemented in states of South East Europe in the context of the ongoing MOSAIC Project. In order to get consensus from these states regarding the Program, the Council of Europe invited the seven ministers of culture from those states involved in MOSAIC to participate in the thematic working group and deliberate on the merits of the initiative.

Conclusions
Professor Franco Bianchini presented a conceptual context for discussion of cultural policy in the 21st century. From this context, the working group discussed the broad challenges for cultural policy, which were outlined by Mr. Raymond Weber, Director of Culture and Cultural Heritage, Council of Europe. These challenges include globalization, cultural diversity in all its forms, rapid technological change, decentralization, and the changing nature of the public sphere. It was agreed that these challenges could be met and accommodated, but only if we are to develop more creative forms of cultural cooperation. Cultural cooperation, which unites states in a process of development which celebrates their difference, but which also enables them to confront similar challenges together, is vitally necessary.

Art of Regeneration was warmly welcomed by the ministers of culture of the countries involved in the MOSAIC Project, and their representatives present in the working group, as an illustration of just such a new form of cultural cooperation. As an immediate affirmation of their endorsement of Art of Regeneration, the following cities were identified by the national authorities as starting points for the Program: Ms. Ana Efremova, Adviser to the Minister, proposed on behalf of Minister Dimitar Dimitrov, Bitola (the former Yugoslav Republic of Macedonia); Minister Fahrudin Rizvanbegovic proposed Mostar (Bosnia and Herzegovina); Minister Ion Caramitru, and Ms. Maria Berza, State Secretary for Culture, proposed Sibiu and Sulina (Romania); Deputy Minister of Culture, Mr. Pantelay Tsankov, proposed Sliven (Bulgaria); Ms. Branka Sulc, Assistant to the Minister, was present and we wait for confirmation of Vukovar (Croatia); Minister Edi Rama supported the choice of Mostar as a city, but will confirm a city in Albania.

A partnership between the Council of Europe, the World Bank and the states of South East Europe, in a program which opens up the door to both a state specific and a regional approach to cultural cooperation, was unanimously endorsed. The working group encouraged the World Bank to consider the invitation to support the “Art of Regeneration” in its first phase in South East Europe, as a concrete illustration of culture and sustainable development.
Thematic Working Group 10
Culture and Private Sector Support

Organized by Arts and Business, United Kingdom, CEREC, France

Session Summation

Quote: from Stockholm Conference on Cultural Policies for Development “To say that shall develop today economically, tomorrow politically and the day after culturally, will be to make a costly mistake”
Hajat Janat Mukwaya

1. The session agreed that business must be convinced of the role of culture within the development framework. There has been a traditional sense that culture is the jam on the bread of society, and that we must wait until the quarter of humanity that lives in absolute poverty has all of their basic needs catered for. If we wait that long, culture will never be on the developmental agenda and we will have a monotone, westernized, sanitized world. A lost language cannot be recreated. A forgotten story cannot be retold.

2. The business world is a key player in this area; not only are they important co-funders of the development of much of the Third World, they are also active on the ground in developing new markets and products. These two roles (development funders and market developers) must be brought together so that the international business community plays a sensitive role in both.

3. The Western market-led business model has been enormously successful in bringing high standards of living and cultural development to the Western world, in a process that started contemporaneously with the cultural expansion of the Renaissance. James Wolfensohn, President of the World Bank, is right to pinpoint this period as an extraordinary moment of growth in arts, commerce, science and technology. In a globalized world, the business community has a more complex task of bringing material benefit to the underdeveloped world, while being sensitive to the cultural values and richness of these environments. The concept of bio-diversity is now well accepted both within and without the ecological movement, the concept of ‘Cultural diversity’ must now be researched and defined.

4. The greatest discouragement to the corporate sector to get involved is a mixed message from policy makers, the lack of a clear intellectual framework and the paucity of research and case studies. The workshop identified four kinds of argument to convince business to support cultural development. The session suggested that the
following ideas could provide a basic intellectual framework as a starting point to develop research and case study material.

(i) a development-led model

This will look at the role of culture in contributing to the classic developmental scenarios of health, education and infrastructure. A lot of good case study material already exists of cultural projects that directly enable the attainment of developmental objectives. One such example if the Glaxo Wellcome work with the Market Theatre Laboratory in South Africa on health projects.

(ii) a cohesive society model

In the words of Dr. Ivan May of Nedcor Bank S.A., 'South Africa is engaged in nation building. The President's Trust for Arts and Culture is committed to the development of the intellectual and social capital of South Africa'. The work of Fundacion Telefonica in this might be seen as a good example of a business foundation that deals with long term issues in social development. The example of a business foundation that deals with long term issues in social development. The definition of culture in this particular field is very broad, and an educational process is required to place the fine arts and culture on a continuum that ranges from literacy to archival practice, which are all areas in which the business community has a role to play.

(iii) a marketing model

The business community is both informed and at ease with this model of business support for culture. This argument should have been refined over 25 years in developed market economies and their effectiveness is now beyond doubt. However, work is needed to demonstrate the validity of such arguments within a developing economy; arguments such as brand loyalty, customer satisfaction and market differentiation need to evolve to suit local facts and expectations. However a marketed model in this contact would also need to look at how business can, without disruption or conflict, insert themselves into strong local cultures. Cultural support is a form of cultural diplomacy.

(iv) a knowledge-economy model

Cultural diversity is an important resource for the future. Both in terms of growth industries in the West (tourism, leisure and information technology) and in terms of the development potential in the rest of the world, 'content' is at a premium. No convincing arguments have as yet been elaborated for the value of cultural diversity and the cultural world can learn from the lessons of the Green Movement, where bio-diversity and sustainability are now current concepts. What can business learn from the developing world? What cultural and human skills are available but underused within the developing nations? What 'social capital' is being lost, and could be recuperated? It will be many years before an adequate answer is found but the business community can already be experimenting and gathering data relative to their own needs, while benefiting from a clear articulation of priorities by policy makers.

5. The following are now needed (in broad chronological order):
   - Case studies
   - Econometric and socio-cultural research
   - An articulation of themes and possible approaches
   - A multi-agency interchange of ideas and projects
   - Pilot projects
   - Evaluation
   - Refined case studies
   - Public relations and information

6. In a recent UK survey of the most powerful people in Britain, the business community were largely more prominent than the political or public world. The late 20th century has seen as inexorable growth in the power and reach of the national and especially multinational business world. Both in financial and social terms, business has a greater impact on our lives, and a greater potential for good and evil than ever before. The development of an ethical business model over the past 20 years is proof
of the growing sensitivity of business to their role as responsible members of the community. But the business world still relies on the public sector for the articulation of broad themes and long term priorities. The solid foundations of society are built, often haphazardly, and sometimes deliberately, through the collaborative effort of government, civil society, business and the individual. The business world is keen to play a role in the challenges that face us as humanity, but need clear signals and adequate information from organizations with this as a primary responsibility. The conference was a first opportunity to recognize the challenge and identify some priorities. The benefits will be mutual.

So what are the next steps?

If culture is to be put on the business agenda, action must be taken to do so.

- A working party should be established to move the agenda forward with the Private Sector. Membership should include the World Bank, committed business leaders, Arts & Business UK, CEREC and other interested parties, such as the British Council.
- Jim Wolfensohn, President of the World Bank, should be asked to convene a group of global business leaders to meet in Washington DC in order to gain their support for a new initiative to develop partnerships with culture. Perhaps a Working Party could be established at just after this meeting? A committed business leader should be asked to chair this working party.
- A book of case studies to analyze the impact of business, culture and sustainable development should be produced.
- The World Bank should appoint a senior officer to liaise with interested parties on this initiative.

Working Groups Keynote Speaker: Synopsis

Colin Tweedy, Chief Executive of Arts & Business UK and Chair of CEREC: Most politicians and business leaders do not necessarily share the belief in the importance of culture and the need for culture to be financed in order to be sustained locally, nationally and globally. The business community is conspicuous by its absence, at many conferences on the arts and culture. The problem is that culture is not on their list of priorities. That is why associations promoting partnerships between business and the arts have been set up internationally. For all delegates the conference is of particular importance because of two words—World Bank. In the vision of Jim Wolfensohn and his colleagues at the World Bank, the subject of culture has been put at a higher level than is normal. How do we turn this important initiative, started in Washington last September into reality? In Washington Elie Wiesel, the Nobel Prize winner said "Culture is the soul of the economy and economy is the arm of culture" How do we convince the private sector that these words are not merely rhetoric? The issue is how do we prioritize culture within the development debate and how do we build functioning societies?

"Reducing a society to the sum of its economic and financial transactions is the equivalent of reducing the people in this room to three gallons of water and a few minerals. It misses all that we have learned to call a human society—community and sense of place and culture." Ismail Serageldin

Why should the business world be interested? For two reasons—Firstly, because the markets, workforce and products of their future prosperity are in the developing world. Secondly, only stable societies will allow Western or indigenous business models to flourish. If culture, as we believe it has, a part of that stability, then it has to be encouraged.

But what therefore is to be the role of business? The wrong answer would be simply to write the check. We need to invest time in articulating the potential that business has to contribute to the debate and finance the development. Failure of such advocacy would be the single major obstacle for business being interested in the partnership opportunities that culture offers.

But why should business chase arts and culture, heritage and patrimony as partners, instead of as or as banking institutions and energy companies, political parties and juntas. Culture can play an essential role in creating stable societies. In Northern Ireland business can be seen to support cultural program than can, unlike so many other attempts, bridge the gaps between the religious divide.

Modernization must not simply mean Westernization. The key approach surely is to respect indigenous talent and creativity, openness to local culture and a belief in and respect for common human ethical responses. The ultimate danger is by delaying cultural development, the developing countries will have already adopted western
models that impose alien tastes, reactions, values and needs on differently constituted societies. If we wait until the seemingly urgent issues are solved we lose both the opportunity to strengthen identity and pride, as well as the possible solutions and ideas that came from within a culture.

We will not win the argument with business without facts and case studies. Tax and legal incentives are important and fiscal harmonization is a valued goal. They need to read and hear the gospel before they can preach it.

**Working Group Session: Selected Speakers' Synopses**

**Business and the Arts South Africa (BASA)** estimate that corporate South Africa expended well over R60million during 1997 on the arts; the figure increased during 1998 and, as new sponsors enter the arts sector, it is believed it will continue to grow. The major part of sponsorship spend comes from the financial and industrial sector. Opinions and attitudes do appear to be changing, with a growing understanding of the possibilities and opportunities afforded through the arts; of the social, developmental, educational and economic imperatives addressed through the arts. While it would be naïve to assume the arts offer the solution, they certainly have a decisive role to play. Total South Africa, Glaxo-Wellcome, The Standard Bank, First National Bank have all benefited from a direct relationship with arts and culture as well as contributing to sustainable development within urban and rural communities.

**Nedcor Bank S.A.** In the early 1990s, Nedbank, one of South Africa’s leading banking institutions, introduced an innovative form of marketing, which has proved highly successful and conclusively shown the value of sponsorship to bottom-line activity. It has also made a substantial contribution to the development of arts and culture, sport and the preservation of the environment in South Africa. Nedbank introduced a range of parity banking affinity products linked to one of three Trusts including The Arts & Culture Trust of the President. The Trusts operate independently and make grants to developmental projects in South Africa in their respective fields. The Trusts thus enable the bank to contribute to the social capital of the nation. All Nedbank cultural sponsorships include a developmental component. A full mix of marketing components is also applied to the sponsorships. Through the Trusts and associated sponsorships, Nedbank has demonstrated how to create win-win situations for all stakeholders.

**L’Agenda Culturel, Lebanon:** If good will is an integral part of ‘mecenat’, then the concept has in fact been present in the Arab world for centuries. But the concept needs a developed modern private sector and the existence of appropriate recipient institutions, painters, artists, actors etc. Absent from the Arab and international scene for 20 years, Lebanon is now regaining its place as a cultural reference point. At least 15 major art festivals happen in Beirut where private support amounts to approximately $3 million. The one deep concern is the lack of support from the international organisations for the sustainable sociocultural development. The economic argument for culture is little understood in developing nations. Culture is a necessary element for creating stable communities and make members jointly responsible for each other. UNESCO is an important participant in the cultural field but Lebanon now requires greater co-ordination between the various interested institutions in order to find a better and more harmonious development strategy. The World Bank has recently opened an office in Beirut, and perhaps we can hope that the World Bank will add to the information and knowledge that we need in order to better understand the role of culture as an agent of sustainable development.

**ARS/AEVI-Museum of Contemporary Art —Bosnia-Herzegovina:** The ARS/AEVI project was born during the early bombardments of Sarajevo; its main goals being the formation of a permanent collection of works destined to a new museum of contemporary art in Sarajevo. Institutional partners include Milan Prato, Lubljana and Venice. The range of supporters for the project is wide and varied, including artists, cities, museums, UNESCO, private sponsors and individuals. The project needs to develop further relationships so that it can move towards the specific goal of establishing a new European Cultural Centre in Sarajevo, which could become an international space, a world-wide attraction, a new meeting point for positive and creative energies and a symbolic environment of the greatest importance for East-West cultural relations. In the city of Sarajevo and in the surrounding canton and throughout the Bosnia and Herzegovina
federation the project has received wide political support. The last seven years have seen a steady and skilful promotion of the project. All those who join the project, staff, friends, sponsors and funders share a common goal—a better, more civilized future.

Other valued speakers at the Working Group Session on Culture and Private Sector Support included Fundacion Telefonica (Spain), Teatro de los Andes (Bolivia), CORONA (Czech Republic) and CEC International Partners Ltd (USA)

Participants
Carin Adlen, Föreningen Kultur och Naringsliv, Sweden
Lisa Ball-Lechgar, Arts & Business UK
Michaela Bondardo, Bondardo Comunicazione, Italy
Michael Brainerd (speaker), CEC International Partners, Ltd, USA
Cesar Brie (speaker), Teatro de los Andes, Bolivia
Yoon Byung-Chi, Korean Business Council for the Arts
Nicola Danby (speaker), Business & Arts South Africa
Francesco de Bergia (speaker), Fundacion Telefonica, Spain
Dr. Elisa Bortoluzzi Dubach, Initiativen Wirtschaft für Kunst (IWK), Austria
Luis Dos Santos Ferro, Fundaco Luso-Americana para o Desenvolvimento, Portugal
Marlene Georgiades, OMEPO, Greece
Ora Goldenberg, ALMA, Israel
Enver Hadziomerspahic (speaker), ARS/AEI, Bosnia-Herzegovina
Makito Hayashi, Kigyo Mecenat Kyogikai, Japan
Sarah Iley, The Council for Business and the Arts in Canada
Chi Gon Kim, Korean Business Council for the Arts
Brigitte Kossner, Initiativen Wirtschaft fur Kunst (IWK), Austria
Mohamed Lechgar
Dr Ivan May (speaker) NEDCOR Bank, South Africa
Andrew McLroy, (Rapporteur)
Francesca Minguella, AEDME, Spain
Emile Nasr (speaker), L'Agenda Culturel, Lebanon
Chobei Nemoto, Kigyo Mecenat Kyogikai, Japan
Hans Renstrom, VOLVO
Brigit Roden, Cothu, Eire
Jane Safer, Arts & Business Council USA
Nathalie Sauvanet, CEREC / Admical, France
Marco Scilla, ARS/AEI, Bosnia-Herzegovina
Virginie Seghers, Admical, France
Alexander Stanas, OMEPO, Greece
Gary Steuer, Arts & Business Council USA
Mikael Strandanger, Föreningen Kultur Naringsliv, Sweden
Martine Tridde, Fondation Paribas, France
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Working group 11 discussed a proposal for a pilot global education project in cultural heritage conservation-management-communication. The proposal focused on the scientific and cultural subjects promoting a global education and training project on cultural heritage for countries with developing and transitional economies to be supported and leded by a three-fold consortium-type group integrating:

- Scientific and research institutions,
- Supranational organizations, and
- Financial institutions and economic-industrial companies.

The project would be under the co-ordination of the Scuola Normale di Pisa whose commitment in the sector of cultural heritage studies through its Centro di Ricerche Informatiche per i Beni Culturali (Centre of Computer Research for Cultural Heritage, CRIBECU) has been intense. The aim of CRIBECU is the study of the complex set of problems relative to the application of new technologies to human sciences, with a particular attention to the safeguard of cultural heritage, supporting for over 20 years of intense research and training activity in the field of computer science and humanities. The long-dated experience of this institution in the sector of both applied research and didactic, has made it particularly apt at coordinating an European global education project titled “Research and Development in Conservation, Management and Communication of Cultural Heritage”, including master and specialist courses for graduate students aimed at the formation of specialists in cultural heritage management.

To define and realize this new global education and training project several authoritative international institutions will join as partners. On the side of top Italian universities and museums (Politecnico di Milano, Research National Council, Soprintendenza di Pompei, Central Institute of Conservation both of the Cultural Heritage Ministry, Institute of Economic Analysis and Studies, and Treasure Ministry of Italy) will cooperate with supranational organizations as the MEDICI Framework of the European Commission; European Foundation for Heritage Skills, European Council, Strasbourg; International Labor Office of ONU, European Education Partnership EEP, Belgium; museum institutions as the Schoenbrunn Palace of Vienna, University of Madrid, Maastricht McLuhan Institute, Slovene Academy of Sciences and Arts, Institute for Spa-
Thematic Working Groups

Torial Studies, Ljubljana; as well companies 3M-Imation; Norwegian Interface for Global High Technology, Oslo; and Giunti-Interactive Labs. The group, which aims to constitute a consortium-type group led by a task force of consulting committee of expert institutions and professionals, is drawing up a global education and training project including:

- Master courses in basic cultural heritage management, advanced specialization courses, courses for technicians; and
- Refresher courses at various levels for continuous professional training, as well as a wide range of on distance learning and projecting programs and of best practice standards and hand books to be delivered through interactive information networks and satellite/TV channels.

Introductory premises: the rationale to integrate education and projecting programs

The objective of the initiative is a fruition of cultural heritage and cultural identity as an integral approach to intervention in conservation, management, and communication strategies. The consideration of cultural patrimony as possible economical resource within a program of sustainable development, in which the respect for the historical memory does not conflict with the organization of new projects of economical development, should start from an essential notion, that is the protection of the cultural heritage and the most precise definition of its historical and cultural identity.

Where this condition is not fulfilled, the objects subject to the economical implementation will be simple fetishes. For those who have no experience, they may look similar to antique testimonies, but they will certainly lack all the features to make them original documents, precious sources for all the information concerning a past that is completely different from the present reality.

Historical enquiry and critical analysis, providing the possibility of connecting the object to where it originally belonged, is the main instrument for the scientific knowledge of a country’s cultural heritage. Historical enquiry must have as its objective the reconstruction of the events in which the object has been involved since the moment of its creation, thus representing the transformations it has undergone. Such transformations influence the material conditions of the object which might look different from its original appearance both because of the inevitable changes due to the natural decay, and because of the changes caused by human accidents, restorations, and transformations or additions.

On the basis of such premises it is easy to understand how the natural sciences and the technical definition of the objects that make up the cultural heritage play a fundamental role together with historical disciplines, in the definition of a project finalized to the conservation and the communication of the cultural heritage itself.

The interdisciplinary approach must consider the aspects concerning the exploitation of the cultural heritage. The economical configuration of protection, exploitation, and conservation must consider the peculiar nature of cultural heritage. Theoretically speaking there is no contradiction between the needs of conservation, and the needs of the economical exploitation of cultural heritage. Multimedia information/communication, using the most advanced technologies, stands as a fundamental instrument not only for the exploitation and the promotion, but also for the applied research to the cultural patrimony.

The centrality of cultural patrimony in the programming of a tailored economical development aimed at being respectful of social organization is a model to be promoted and tested in the different situations. The complexity and the variety of interdisciplinary contributions connected with cultural heritage need highly qualified specific curricula as far as specialized training is concerned. The basis of this training is the field of traditional historical discipline consistently integrated with the contribution of new methodologies and technologies. Top professional training currently derives from the necessity of creating, more than anything else, the conditions for an updating of both the contents and the conditions for learning.

Interdisciplinary expertise, for the first time applied specifically to the protection of cultural heritage, is to be part of the cultural and technical formation of specialists in cultural heritage. Basic information concerning these disciplines must be part of the professional training, not for its completeness of skills, but to enable better communication with the technical and managing specialists in achieving progress of the specific knowledge on the cultural patrimony.
The application of the many disciplinary contributions to the cultural patrimony is a theoretical/practical acquisition that must take place within specialized post-graduate courses. This kind of integral training programs in developing countries is very important to strengthen or to create the sense of a tradition and of an experience finalized to the safeguard of historical memory joined to its tourism promotion. It is therefore essential that formative processes take place in every single country with a direct contact with their specific problems developing a number of pilot projects tailored to the cultural policies of the country. The didactic experimental and projecting model has proved to be the most productive solution. The possibility of formative segments to be performed in the field in the most representative cultural centers, museums, and archaeological sites in western European countries can only play a complementary part as the conclusive moment of the process: it will be neither the initial phase, nor its only one.

Lack of cultural specialists in developing countries

A specialized labor supply—its lack in quantity and quality—must be considered in planning intervention on the cultural heritage resources of countries with developing or transitional economies, when accounting for its feasibility and effectiveness. The basic importance of a global and specialized training program tailored to local needs, as well as to the local education and training structures, is self-evident in order to plan a developing and enhancing policy of the local education system. A preliminary ground intervention is required for carrying out this education project based on applied research and pilot projects. This plan calls for field laboratories and monitoring sites of the curricula and promotion of joint ventures between local industries and professionals and international partners as a preliminary basic intervention for every strategy in conservation, management, and communication of a country’s cultural heritage.

Prototypical and local pilot projects

An authoritative wide range of prototypical pilot projects will be available on behalf of the partners of this consortium group. They can be used as qualitative training and projecting models for planning and realizing local pilot projects as best practice factors of enhancing and developing the local cultural heritage. This information handbook of best practices will be helpful in planning the reconstructed representation of the promoted model of a country’s cultural identity. The impressive and authoritative prototypical pilot projects and the experimental and training centers are to be used as field laboratories and will act both as a scientific quality standards guarantee and factor of attractiveness for companies and supporters/sponsors in joint ventures.

At the same time the authoritative, scientific quality of the consortium partners, as well as of the available pilot projects and the training field laboratories, will affect the planning and realizing of a representative number of local pilot projects to develop and enhance the durable and sustainable conservation-management-promotion of the local cultural heritage. This development process will therefore be directly connected to a country’s cultural identity stimulating a positive and durable effect both in economic and cultural development and promoting a worldwide awareness and interest inside of the industrial and financial framework.

Integrative role of industries, companies, and professionals and of supranational organizations

Without direct and indirect involvement of the private sector there will be no sustainable development and exploitation in terms of economic feasibility and economic-cultural efficacy and effectiveness, no local continuous labor-market impact, or no local dissemination/spin-off of technological innovations from industrial applied research to cultural and education projects. This must include involvement and co-operation of industry, small- and medium-sized enterprises and individual experts and professionals in a worldwide network of international financial and supporting institutions, such as banks and foundations; as well as of political-cultural intermediates as supranational organizations which will mediate between individuals, scientific bodies, and companies. They all will act both in planning and realizing the training and projecting programs as the second and third integral components of the operating subjects together with the involved scientific and academic institutions inside of this Consortium-type Group.
The consortium group and the task force expert group

The propulsive role of the industrial framework and market is to provide the content and means for worldwide communication and learning to the small- and medium-enterprises and to individuals. The proposed task force expert group, to be established inside of the promoted consortium group, will act as an effective worldwide information network and as an authoritative researching committee monitoring and checking the locally implemented scientific and training innovations in a scientifically advanced framework of education programs tailored to the specific needs and strategies of a country's cultural heritage. The available standard pilot projects will therefore be paralleled by a number of local pilot projects.

The Object and the Basic Operative Outlines of the Education Project

We propose that the concept of cultural heritage should be analyzed as an integrated system of material and non-material objects that are spread throughout a territory as a result of environmental degradation, cultural evolution, different typologies of urbanization, industrialization, religious organization and orders, cultural traditions, and the traditions of local and national food production.

We argue that a region's cultural identity should be considered as a dynamic reconstruction of the memory of the historic image of a heritage and its contemporary perception and representation. It is necessary, for example, to analyze what is being preserved, promoted, and publicized to understand how a cultural heritage is being presented at the moment and how it is being shaped for the future. In this way one can start to appreciate how a cultural identity is being cultivated for locals and for visitors and how it is probably being perceived.

The perception of a cultural identity is crucially connected to the global cultural policies promoted by a country and these in turn decide the delicate balance between the conservation, public management, and the communication-promotion of different material objects. However, while the contemporary image of a specific cultural identity—the result of precise economic and cultural choices—can present the historic development of an area more or less accurately, the number and quality of interventions in terms of defined priorities in specific areas of conservation and promotion can themselves irrevocably change and transform this image in the short or the long term. In so doing, the awareness of the cultural identity of the territory is itself changed.

Critical knowledge database as a multipurpose information archive

Any model of the representation and use of a cultural identity is the result of cultural and economic choices. Before any transformations of material objects are made, a critical awareness of the range and scope of these objects/changes is necessary. The first stage is the setting up of a computerized archive of objects available in the (national) territory. This database should include details of the historical documentation of the items, which are indexed electronically in a computerized referencing system. We propose that there should be a coherent model for the conservation, management, and promotion of a cultural heritage, and that the methodologies adopted should be suited to these. We shall evaluate the manageability, quality, and quantity of the choices available and assess the priorities.

The construction of this digitized archive is indispensable for the analysis, evaluation, and planning of future developments. It should contain historic and contemporary information of collections, documents, written, and visual texts (photographs, film) It is the first step in the development of future work. An archive which contains details of the past and which reveals the present awareness of a cultural heritage is essential to conserve the original, traditional character of these objects throughout their historic evolution, but also to create a space (virtual or otherwise) where people may consult documents for multiple purposes from the scientific and technical in organization of museums, to cultural and didactic in broadcasting or popularizing and economic in development of tourism. This body of information is a crucial component in our educational project. Without it, the project will be deprived of an effective information access to its scientific and cultural foundations and, moreover, of a basic best practice tool to plan and develop a wide range of communication products to manage, promote, and exploit a country's cultural heritage.
Pilot project strategies and controls

When setting up pilot projects, it will be necessary to evaluate the choices and the priorities of the proposals made and to consider the effect of these upon the labor market and on future technological developments. It will also be necessary to have a control system evaluating the cost-benefits of the proposed projects. The planning of the educational project in collaboration with scientific bodies and national and international companies must be integrated with a program of experimental research into the methodologies and technologies of restoration suited for the sustainable development of a cultural heritage.

The pilot projects will serve as case studies for teaching workshops in stages. They will provide some norms and create a repertoire of examples of best practices, which may act as an incentive for joint ventures with national and international companies or bodies of research, thereby becoming an experimental laboratory for joint work with various centers of excellence.

The setting up of a project designed to promote both national and local development will require a central site for the design of appropriate computer programs and the management of the data base necessary for the educational program, for experimentation, and for the organization of pilot projects. More local sites will be deployed as points of delivery for a full-scale computerized network which will permit the consultation of the archives and allow interactive applied research via the computer through suitable channels of communication.

Working Group Discussion of Four Themes

Four discussions sessions were aimed at drawing up a draft of a summary proposal for the prototype education project.

Fruition of the cultural heritage and cultural identity: a project for education

The definition and enhancement of local cultural heritage will be considered as a factor of economic and cultural development. This entails planning and realizing the education program within a balanced framework of both economic and cultural development. A determining factor is the government's decision to favor—qualitatively and quantitatively—either conservation or exploitation within global cultural heritage strategies. The decision should be based on general financing strategies and criteria used in assessing and selecting cultural heritage projects and the methodological choices involved. The construction of an educational program must therefore aim at the training of specific professional figures which correspond both to a particular country's general cultural heritage policy and also to the specific character of the projects it aims to carry out.

These professional figures are directly linked to cultural strategies in the conservation, maintenance, transformation, and re-use of historical city-centers, historical and contemporary buildings, architectural complexes, archaeological sites and parks, traditional farms and rural village architecture. Another important factor in the enhancement of local cultural identity is the conservation and cultural exploitation of ancient and contemporary archives, libraries and collections as integral parts of the cultural heritage resources forming a country's global cultural identity. The program proposed must therefore contemplate professional training in these sectors, which play an important role in developing the documentary basis for the critical knowledge of a country's cultural heritage. It must therefore provide different types of courses, both in duration and level (depending on the range of skills required and the position to be filled).

Education as a stimulus to social-economic factor: the impact on the labor market

The panel will analyze and assess the effectiveness of a country's main policies in the conservation, fruition and communication of cultural heritage and their relevance to its cultural and economic exploitation. The impact of the tourist industry and cultural fruition must be planned and assessed with a view to the safeguarding of a country's geographical, natural, and cultural resources as integral parts of the history of its cultural identity and the promoted image of its cultural heritage and individual cultural objects. A policy choice is to be made regarding the relative importance accorded to either conservation and the safeguarding of cultural heritage or maximal cultural and economic fruition. The education program and connected professional figures, as well the methodologies and technologies to be applied, must be specifically related to the aims and methods of intervention.
A scientifically planned, sustainable development of cultural heritage which takes into account the requirements of tourism (local, national, and international) entails the continuous monitoring of the territory and its cultural contents. The different qualitative and quantitative impact of these contrasting approaches on the labor market must be analyzed and assessed using feasibility programs providing the financing and technological tools and methodologies best suited to boost and qualify employment in the cultural heritage sectors to be supported or increased.

Education and the new technologies for multimedia access to cultural heritage

The panel will mainly concern the application of information communication technology (ICT) to cultural heritage and its impact on the formation of specific professional figures. To determine the nature of this impact, it is necessary to assess the efficacy and shortcomings, cost and benefits of technological innovations, as well as their impact on global cultural/economic development and on local cultural identity. The multimedia access to cultural heritage and the development of the ICT must be considered as a stimulating factor for a global development. Their impact on both cultural identity development and on the definition of professional figures must be assessed within the planning of the education program.

Further points to consider follow:

- Wide-range spin-off of ICT applications for cultural heritage and the definition of new professional figures in a global cultural heritage education program;
- Cost-benefit assessment in account of cultural heritage fruition-communication and the perception and awareness of local cultural heritage; and
- Role of the MEDICI European Framework of Centers of Excellence in planning a consortium-type structure for defining and realizing specific education programs for developing and transitional economy countries.

Technological innovations and fruition of cultural heritage: the role of industry and commerce

One of the main subjects of discussion might be the impact of technological innovations on the development of specific professional figures and the sponsorship and promotion of cultural heritage education programs on part of large and small industrial groups (especially those involved in ICT).

An incentive to their involvement might be the creation of consortium-type partnerships between companies and academic and cultural institutions and supranational organizations with a view to the collaborative construction of an education program tailored to a country’s global economic-cultural strategies of sustainable development.

Continuous discussion should continue on the following:

- Impact of technological innovations on the development of specific professional figures and the sponsorship and promotion of Cultural Heritage education programs on part of large and small industrial groups (especially those involved in Information and Communication Technology-ICT).
- Role of companies in education joint ventures to stimulate the development of new technological structures and in selecting and planning projects together with cultural institutional partners.
- The foreseeable evolution of the professional roles and competence in cultural heritage labor market due to the involvement of the companies in co-operation projects.

Concluding Remarks

The working group recommended formation of a task force to initiate and plan the pilot projects. The task force would consist of representatives from expert organizations, academic institutions, client countries, private sectors. It was suggested that a website be created to serve as a knowledge resource for posting training courses, best practices, and shared operating standards. As a final recommendation the Scuola Normale di Pisa volunteered to set up a base to enable ongoing discussion.

In the next decade capacity building and training aimed at helping people help themselves will be of the utmost importance. The exploration of new cultural industries and the importance of cultural identity in development will create an increasing demand particularly in developing countries, for educational programs and training. The working group recommended a number
of pilot projects that will result in the development of curricula to train professionals and experts in cultural heritage skills and produce educational programs for the general public that will deepen the understanding and appreciation of culture.

A number of challenges in developing curricula were identified that can serve as development guidelines, including the following:

- Courses strike a balance between local needs and emerging global perspectives; particularly relevant in a shrinking globe where professionals are likely to live in more than one country;
- Solving a conservation problem may require a matrix of skills and an interdisciplinary approach;
- Sensitivity to moving experts and students from different countries in an emerging global village;
- Curricula be based on a participatory approach involving stakeholders, communication, private sector;
- Training result in increasing efficiency in cultural heritage;
- Interoperability and reuse be built into training segments (since technology will be an important delivery mechanism);
- Global communication standards be incorporated in design to achieve a world without learning barriers; and
- Flexibility be incorporated to adapt to changing needs.

Framework for producing curricula on an ongoing basis were discussed, most notably the creation of a network of expert centers such as the Scuola Normale di Pisa and centers of excellence as designated under the programs of the European Union (MEDICI Framework). A methodology was recommended based on the synergy between country policies, critical knowledge and analysis.

As practical first steps, a series of pilot projects were recommended: one based on traditional methods that meets the guidelines outlined, another based on internet delivery or tele-training, and the third based on training in how to use technology in research. These pilot projects were seen as particularly important in order to test supply and demands; stimulate partnerships, particularly public/private partnerships; and serve as incubator material for expanded programs.

It was suggested that the pilot projects result from a collaborative effort among the content providers in the working group and be applied to development/funding agency activities emerging from the European Union, World Bank, and the Council of Europe.

Participants

OPENING
Marialina Marcucci—Vice President of Regione Toscana and Responsible for Tourism Policies;
Mario Verdese—European Commission DG XIII—Framework MEDICI;

Panel, Session I
Chair: Salvatore Settis—Scuola Normale Superiore di Pisa
Speakers: Benedetto Benedetti—Scuola Normale Superiore di Pisa
Raita Karnite, Vija Virtmane—Ministry of Culture—Latvia
Pietro Valentino—Università La Sapienza—Economics, Roma
Pietronella Van den Oever—World Bank Institute
Discussants: Dario Arrigotti, Frans Lenglet—International Training Centre ITC—ILO
Michele Cordaro—ICR—Central Institute for Conservation—Roma
Heikki Halttunen—National Board of Antiquities, Finland

Panel, Session II
Chair: Marco Causi—Università di Roma 3—Economics
Speakers: Pietro Giovanni Guzzo—Soprintendenza Archeologica di Pompei
Wolfgang Kippes—Direction of Schloß Schoenbrunn—Wien
Fiorella Padoa Schioppa Kostoris—ISAE—Institute of Economic Analysis and Studies—Univ. La Sapienza
Toni Rasmussen—Art Academy for Architecture, Copenhagen—Project “Preservation in Historic Farms”
Daniel Therond—European Foundation for Heritage Skills—European Council, Strasbourg
Discussants: Paola Barocchi—Scuola Normale Superiore di Pisa
Stefano Bruni—Soprintendenza Archeologica della Toscana
Gianni Jacucci—Università di Trento—Informatica-Innovazione d’Impresa spa
Bernard Henning—ZHG—Centre for Crafts and the Preservation of Historic Monuments—Germany
Andrea Zifferero—Università di Siena—Archeology
Panel, Session III
Chair: Kim Veltman—Maastricht McLuhan Institute
Speakers: Lavinia Gasperini—Education Specialist, World Bank
Georges Mihaies—Norwegian Interface for Global High Technology—Oslo
Paolo Paolini—Politecnico Milano-Univ.
Lugano-Computer Information
Zoran Stancic—Slovene Academy of Sciences and Arts, Inst. for Spacial Studies, Ljubljana
Discussants: Giuliano Benelli—Università di Siena, Electronic Engineering
Arturo Colorado Castellary—Universidad Complutense de Madrid, Ciencias de la Informacion
Maurizio Forte—CNR ITABC National Research Council—Roma
Umberto Parrini—Scuola Normale Superiore di Pisa

Alfredo Ronchi—Politecnico di Milano—Engineering DISET

Panel, Session IV
Chair: Val Herman—ICL European Education Partnership EEP—Belgium
Speakers: Fabrizio Cardinali—Giorgio da Bormida—Giunti-Interactive Labs—Genova
John Gage—SIO Sun Microsystems
Alberto Peano—ISMES
Mario Sanchini—3 M—IMATION
Discussants: Ugo Bacchella—Artlab-Fitzcarraldo, Torino
Walter Bee—Compagnia Italiana di Conservazione, Torino
Mohammed Abdelilah Belghazi—Belghazi Museums, Morocco
Fabrizio Davide—TELECOM, Milano
Roberto Gagliardi—Meta—Consorzio Pisa Ricerche
Concluding Remarks: Eleonor Fink—World Bank
Financing sustainable cultural site management is a world-wide challenge. Major cultural sites are threatened by many factors, including inadequate provisions and resources for management. Small public budgets reflect a failure to view sites as long-term capital assets and to reinvest the revenues they generate into their conservation and operation. Sound financial planning and management are needed for cultural site administration: at the national level and at sites themselves.

Improvements in planning and financial management of cultural heritage sites would serve a broad community of interests, including national governments, local communities, international and national cultural organizations, cultural heritage professionals, public and private investors, and visitors to sites—both actual and virtual, now and in the future.

This Thematic Working Group on Financing Cultural Site Management is one of a series of activities convened by The World Bank, involving partner organizations and site management experts, to address the challenge of cultural site management in the context of cultural and environmental conservation, of economic and social development, and community participation. It follows a Workshop on Cultural Site Management held in Washington, D.C., April 26-30, 1999, under the auspices of The World Bank Institute and the Bank’s Culture and Sustainable Development Program. Participants in that Workshop included internationally-recognized experts in cultural site management, as well as World Bank staff and professionals in client countries who are working on Bank-financed projects with cultural site management components. Workshop participants discussed the need to focus on sources of revenue for conservation and operation of sites and on financial management of sites applying sound business practices.

PART I: Financial Management: Balancing Use and Conservation

Presentation: Financing and Economics of World Heritage Sites, by Georges Zouain, Deputy Director, World Heritage Centre, UNESCO

The conception of physical cultural heritage is important, as it governs use and management. In ancient Greece and Rome, what we now term heritage was considered patrimony, comprising the basic source of life, and valued mainly for its production function. In Europe, at the time of the French Revolution, heritage assumed a historical and political significance; sites and structures
Thematic Working Groups

were systematically designated and inventoried as a source of local or national solidarity and identity. Later, in 19th century Europe, the industrial revolution shifted the bulk of production from agriculture to industry. A capital surplus resulted, enabling society to support a non-productive heritage. These developments have modified our approach to the conservation of heritage and has transformed it from a primarily productive tool to a “supported” good.

Nonetheless, cultural heritage continues to have economic value in contemporary society. In some instances, this is very tangible, such as tourism or the daily use of buildings; in other cases, less tangible, such as the role of heritage in nurturing a “sense of belonging.” Heritage also has value because of its future role: the option value of not destroying a site or monument. The option value is the revenue the owner expects to receive if he does not consume his property. This is referred to as the contingency value of heritage: how much will an owner pay in order to keep and protect a property.

Tourism is by no means the only economic gain from heritage. Cultural heritage produces goods, employment and other benefits. But, as heritage produces economic goods, its life diminishes if it is consumed by the production process. As a commodity that produces other commodities, heritage needs to be cared for and maintained.

Heritage is a scarce, irreplaceable commodity. There is no such thing as a heritage production plant. Therefore, the rate of return from heritage must remain at a level that does not impact heavily on its life duration. If we consume heritage by over-exploiting it, we shall lose long-term economic returns. It can be said that the annual cost of conservation of a site should be such as to enable the site to be conserved and well presented. Conversely, we can say that this cost should be less than the overall sum of revenues generated through use of the site.

There is a disparity in the world between the location of outstanding heritage assets and the ability of host nations to provide for conservation and management. The concept of a world heritage involving some shared responsibility, is expressed in the Convention concerning the Protection of the World Cultural and Natural Heritage, (The World Heritage Convention) signed in 1972. This Convention is administered by an international committee supported by a staff in the World Heritage Centre at UNESCO. There are currently 158 states parties and 582 cultural and natural sites inscribed on the World Heritage List. The Convention is influential in the recognition and protection of heritage sites, although countries that lack skilled personnel and financial resources for protection bear a heavy burden, only occasionally alleviated by the fund established and administered under the Convention.

Presentation: Management of the Angkor Region in Cambodia, by Vann Molyvann, Senior Minister and President-Director General of the APSARA Authority.

The methodology for managing the vast expanse of Angkor requires establishment of tools and institutional measures appropriate for an outstanding World Heritage Site. An enormous quantity of information about the site has been assembled during decades of investigation. Together with UNESCO, numerous international researchers, several French, American, English and Japanese universities and technical assistance organizations are participating in the rediscovery of the Khmer civilization.

Three types of actions comprise the management process for Angkor. First, there are measures to safeguard the site and assure access for researchers and visitors, including establishment of a cultural heritage police corps to mitigate theft of Khmer artifacts, which continue to feed a flourishing international traffic. The corps also attempts to prevent illegal exploitation of forests in and surrounding the archaeological park.

Second, an institutional framework has been established, including a compendium of legal texts and regulations for protection of the cultural heritage. These include the Law on Territorial Management (1994); and the Law on the Protection of Cultural Heritage (1996). Operational institutions have been created: the Supreme Council on National Culture (1995) and the Authority for the Protection and Management of Angkor and the Region of Siem Reap (ASPARA) (1995).

Third, there is medium and long-term planning for integrated site development. Accomplishments include: establishment of the Protected Cultural Zones and Guidelines for their Management (1995); the Urban Reference Plan for the Town of Siem Reap/Angkor (1995); the Master Plan of Transportation of the Province (1996), the
Rehabilitation Plan of the Angkor Forest (1999); and the Master Plan for Water Resources of the Siem Reap Region (nearly completed in 1999).

The approach of the Khmer culture (early ninth century to late twelfth century A.D.) to the environment was harmonious integration of the three principal components: mountain, plain and water. This trinomial remains a constant in contemporary territorial management in the region. The Khmers created a unique hydraulic, economic, social and religious system, with a series of five cities. Mastery of the water system permitted food production for an estimated 1,900,000 inhabitants with a density of 178 inhabitants per square kilometer.

The contemporary population of the region has endured torment since 1970. In 1975, the urban populations were brutally chased out of towns. With the advent of peace, in 1992, people returned to their homeland. The territory of the ancient hydraulic cities corresponds roughly to the arable land being cultivated today in the province of Siem Reap. A current population of roughly 600,000 inhabitants (based on the 1992 census) inhabits 108 communes and 914 villages.

The major challenges are: to restore the cultural heritage abandoned for 25 years; to reconstitute the water system, the origin of ancient prosperity in the region; and to re-populate the area with sufficient human resources to revive development.

Angkor was temporarily inscribed on the World Heritage List of Cultural Heritage in Danger in 1993. Permanent inscription on the World Heritage List would depend upon the Royal Government of Cambodia ensuring protection through:

- Legislation, strict protective regulations, and the creation of a national institution for management; as well as,
- Zoning for site and establishment of buffer zones to provide efficient physical protection for the monuments.

The conditions have been met with zoning measures specified in the Plan of Zoning and Management of the Region of Siem Reap, specifying five levels of classification and protection for the built site and its surrounding environment. Historical research informs us that economic prosperity and cultural wealth in the region always had close connection with improvement of the hydraulic constructions; on the contrary, shortage of water often led to starvation, epidemics and war among communities.

The major challenge of providing water for the region of Siem Reap can be met by the reconstruction or development of means for water usage (storage, irrigation and navigation) and for protection against erosion, disastrous flooding and general safeguarding of agricultural land. For Angkor, the reconstitution of water resources implies attempting to rehabilitate the ancient hydraulic city. This could represent the key to ecologically harmonious development of the region in the next millennium.

Management plans for Angkor consider the cultural and natural resources holistically. The intent is to apply successful principles and techniques of ancient adaptation to the environment to contemporary society. In the case of Angkor, a large protected area with considerable autonomy encompasses the vast site. A contrasting approach is the national system for cultural and natural heritage site management instituted in Canada.

Presentation: Parks Canada: A Business Planning Approach to Site Management. by Mike Fay, Director, Strategic Business Services

Site management issues are similar throughout the world. Challenges in managing Canadian cultural and natural sites during the past 30 years led to a decision to use a business management approach by Parks Canada, the agency responsible for the system of national parks, historic sites and protected areas. These holdings include 38 national parks, 3 marine conservation areas, and nearly 850 national historic sites (of which 135 are administered by Parks Canada). Parks Canada also contributes to the protection of 163 heritage railway stations, 31 heritage rivers and over 1,300 federal heritage buildings.

Since April 1999, Parks Canada has been an agency of the Federal Government, headed by a Chief Executive Officer reporting to the Minister of Canadian Heritage, who is accountable to Parliament. The agency is the employer of all staff, retains all revenues and has non-lapsing budgets. Parks Canada is responsible for commemorating places, people and events of national historic significance, and for long-range planning to establish systems of national parks, historic sites and marine conservation areas that reflect, in sum, the full range and diversity of Canada.
As defined in Canada, the principles of cultural resource management are: value, public benefit, understanding, respect and integrity. Stemming from these principles, the practice of cultural resource management involves: inventorying; evaluating resources to determine their historic value; considering conservation and presentation in relation to the value; and monitoring and review of practices. Activities carried out in the process of management are: corporate direction, planning, research, conservation and presentation.

Each site has a Commemorative Integrity Statement (CIS) articulating its values and the responsibilities for conservation. During the process of establishing the CIS, a working group of multidisciplinary stakeholders is established. Once approved, the CIS is a key component of the Site Management and Business Plans. Monitoring operations at the site assure adherence to the CIS, indicating remedial action where necessary.

A Historical Site Management Plan for each site is designed for a five to 10 year period, and updated every five years. Prepared by multidisciplinary teams, with public consultation, the plans are presented to Parks Canada’s Executive Committee, approved by the Minister of Canadian Heritage, and tabled in Parliament. A typical Management plan contains: the CIS; an analysis of the site; strategies for protection and conservation, for visitor services, for presentation and interpretation, for marketing and tourism, for partnerships, and for protection of natural resources. An Environmental Assessment of the site is included.

The Site Management Plan is implemented through a Business Plan containing a statement of what is to be accomplished, how it will be done, how it will be measured, how the results will be reported, and who will be held accountable for the results.

Business planning is an integrated approach combining strategic directions from higher administration with the local concept of management at each site. It is an accountability tool for Historic Site Superintendents, enabling management teams to set priorities and allocate resources. The business plans, prepared for a three-year period, and updated annually, are simple, strategic tools.

Resources are allocated through targets established for each site and given to site superintendents. Annual reports, required for each site, present accomplishments related to Business Plan outputs with reference to achievement of Management Plan goals and objectives.

Approximately 25 percent of the Parks Canada budget is covered by revenues, including entry fees to sites, user fees and leases. Parks Canada retains all revenues and reinvests them into its operations and facilities. The guiding principles of the revenue policy are as follows: use and levels of fees are public policy and subject to direction and approval by the Ministry of Canadian Heritage. Tax-based appropriations are used to establish and protect parks and sites. User fees are charged for services providing a personal benefit. Entry fees are set to provide reasonable access to Canadians generally, and vary depending on the services offered. Fees for other personal services are market-based. These market-based fees are set considering cost of delivering the service, regional market situations, and the results of public consultation. Field Unit Managers can propose packaging and price incentives with specific objectives or performance measures (for example, youth, seniors and families). There are different cost recovery objectives for different services. Field units retain all revenues including over-target revenues.

There is a Cost-Sharing Program for Canada’s National Historic Sites. Through contribution agreements, partners are engaged to ensure the commemorative integrity of National Historic Sites not owned by the Federal Government. Eligible sites must be designated as nationally significant, be open to the public, and approved by the Minister of Canadian Heritage. Projects eligible for the program include: acquisition, planning, conservation and presentation. Eligible partners may be: a province; a municipality; incorporated non-profit organizations; and private organizations or business corporations. A legally-binding contribution agreement is signed, including the extent of activity, the amount and timing. The cost sharing partner may be reimbursed by Parks Canada for up to 50 percent of eligible expenses for conservation and presentation of the site.

PART II: Revenue Generation: Traditional and New Sources

Presentation: Preliminary Research on Comparative Fees and Tariffs in the Field of Cultural Heritage, by Sergio Fiorentino, Tourism and Cultural Heritage Planning Economist

An analysis of entry fees at cultural sites and museums in Turkey, and comparisons with neighboring countries, is instructive in highlighting the potential of this revenue source in a competitive
tourism market. The situation in Turkey is similar to that of many countries that are considering long term revenue returns, conservation and management of heritage assets.

In the interest of improving revenues from sites, the analysis produced two recommendations for change: first, in the national policy for fees; and second, in national taxation policies. Considering the intended growth of cultural tourism, attention should be given by a committee including the ministries of Finance, Tourism and Culture, to increasing capital inflow and encouraging dispersal of tourists through pricing mechanisms, including possible dual-pricing for national and foreign visitors. Further price differentiation could give consideration to such groups as school children and the elderly.

A second committee comprising the ministries of Finance and Culture with the central government Treasury and local government representatives should examine reallocation of resources in favor of cultural heritage assets through a new taxation policy aimed at increasing revenues for cultural sites and institutions to address urgent needs for conservation and management of these assets.


Innovations in computerization and telecommunications are being massively reinforced by digitalization, enabling the rapid and world-wide spread of written, audio and visual content. These developments have a potentially revolutionary effect on cultural institutions and sites. Images and related documentation are recorded and organized in large, electronic databases, which can be said to contain the "cultural DNA" of mankind.

The Internet is redefining traditional site and cultural institution functions, making possible "virtual exhibitions," using the most advanced technology to create 3-D environments and multimedia experiences to reach global audiences. Cultural treasures can be brought directly into classrooms and living rooms for the edification and enjoyment of students and families. Cultural heritage information is more widely available for scholarly use than ever before. Cultural institutions are entering the global electronic marketplace.

While these developments represent a huge potential source of revenue for cultural sites and institutions, they also require new management skills and structures, as well as a careful watch and understanding of legal provisions for property rights and revenue generation.

PART III: Discussion and Summation: Future Directions

Discussion focused on the need to manage cultural resources as efficiently and skillfully as other economic and social assets. This necessitates sharing information about challenges and techniques, as was done in this Working Group in microcosm. In order to expand the discussion, an international electronic discussion of issues in cultural site management was suggested. This could be accomplished through the Community of Practice within The World Bank Institute Development Forum.

Application of modern management techniques to the conservation and operation of cultural sites requires expanded vision and trained personnel. Among the participants in the Working Group were Dr. Ahmet Evin, Dean of the Faculty of Arts and Sciences and Dr. Muhittin Oral, Dean of the Graduate School of Management at Sabanci University in Istanbul. This new university is considering the possibility of creating a graduate program in the management of cultural heritage resources.
Thematic Working Group 13
Growth and Culture in Urban and Regional Proximity

Organized by INTERARTS Observatory of Urban and Regional Cultural Policies (Barcelona) and UNESCO

The Florence Conference aimed to provide policy strategies, funding approaches, and global alliances to place culture at the forefront of sustainable development. Following UNESCO’s advocacy for culture as component, and eventually final aim of development, the World Bank seeks to facilitate the encounter between policy makers in the economic and financial fields with leaders and activists from the cultural sector. As James D. Wolfensohn, president of the World Bank stated, “We feel that development will almost certainly fail without the assertion of identity that culture provides”.

It is in that context this working group was designed by UNESCO Cultural Policies for Development Unit and Interarts Observatory, focusing on the need to recognize the leading role of cities and regions in cultural policies for development. This one day event slides therefore into the debate promoted by UNESCO as expressed in the Action Plan approved in the Intergovernmental Conference on Cultural Policies for Development held in Stockholm in 1998.

The proximity level allows for a direct interface between culture and the economy; new investment opportunities thrive as local communities make the best of their human as well as material resources. A solid cultural life is the canvas that holds together economic development, employment and sustainable growth. Interarts Observatory, an agency specializing in area-based cultural processes, tries to monitor the debate on local arts contribution to social cohesiveness, employment and urban regeneration. Its task as joint-organizer of the working group has been that of providing cross-reference material and co-ordinate the contributions from guests and participants.

Over 30 officials, academics and cultural operators from the five continents took part in the Florence working group. The cities of Bogotá, Budapest, Jerusalem, Tunis, Bucharest, Ljubljana, Florence, Barcelona and Kingston were represented and some comparative models were established. The six-hours debate brought specific recommendations and project proposals for the coming-up agenda on urban and regional cultural policies. This is a summary of contributions from participants with an emphasis on the topics linking to other working groups: heritage, environment and employment.

General Considerations—Local Arts for Global Change
A general statement by urban semiologist Armando Silva (Universidad Nacional de Colombia)
introduced sensitive topics on city transformation and the importance of citizen’s perception. From his viewpoint, the increase in internet use and cultural industries demand are particularly relevant in the urban context. According to Silva, the identity implications of these transformations need to be considered: “If we are now looking for a new supranational integration, the core objective of cultural policies cannot restrict its scope to rescuing and preserving exclusive identities.”

The idea of a new approach to recognize the implications of local identity starting from memory processes, was raised by Ridha Tlili from Tunis who has been involved in the exploration of new local identities in the Mediterranean basin. According to Tlili, only by deconstructing “official memories” can people be empowered to reconstruct their own identity based on their individual/local experience.

Identity and locality took the center stage on the first part of the day followed by issues related to globalization and communication. Thus the debate on the need for new ways of understanding the value and impact of local cultures in world structures. In the global context, local cultures are the raw material for world cultural industries but also, local cultures are the basis for the human dimension in development.

The local dimension was generally described as the immediate public sphere of citizens and cultural relations. However, some differences emerged on the use of notions such as “community”, Sue Boaden (Australia Street Company) emphasized that the true meaning should be associated to grassroots approach, whereby the local sphere corresponds to the most effective synergies between culture and economics.

Finally, as Carlos H. Gómez from the Ibero-American States Organization (OEI) stressed, it is important to build new links and bridges between local cultural identities to foresee a global reality where the local is respected and assumed. New guidelines for researchers, officials and managers will have to be established, Carlos Gómez stated, in order to create new global consciousness in defense of urban and regional cultural complexity.

Area Cultural Processes in Sustainable Development

The second part of the workshop was devoted to the practical analysis of some cases where culture has a paradigmatic position in the development strategy of cities and regions. How can culture operate in the local dimension as a dynamic motor of development? This question was first described through the case of the host region of Tuscany. Elio Satti, official in the Cultural Heritage Department of the Region, presented their adopted strategies and the evaluation of the results in the field of cultural heritage as source of growth. As he explained, the case of Tuscany, with a “world class” cultural heritage, is hardly comparable to other local realities where arts are not always at the forefront of the economy. However, the opportunities and pitfalls of the Tuscan case could be very useful to similar policies elsewhere in the world. Under pressure to soften the impact of tourism on the region and its heritage, the Tuscany Government has developed a number of projects with a view to integrating a whole plethora of cultural resources existing in the area into a manageable system. This model has been built through the active participation of municipalities interested in increasing their cultural capabilities as well as curbing the negative social and ecological side-effects of mass tourism.

Also from the host city, Maurizzia Settembri, from La Fabrica Europa (Arts Centre in Florence) expressed her fears on the fact that most of the budgetary lines were devoted to heritage sector, and not to the contemporary arts production. These arguments were very often developed along the seminar to illustrate the need to enlarge the concept of cultural investment used until now by the World Bank and other financial agencies. However, beyond the need to integrate the old and the new, Maurizzia Settembri reminded of the need to create social bonds in daily life.

All participants agreed in defining culture as the ways of living together. In that sense, the presence of multicultural communities in the historic city of Florence, for instance, showed the convenience to recognize forms of cultural expression related to the heritage of new city residents.

The urban context is the kaleidoscope of cultural expressions, many of whom go often unrecognized, interconnecting real needs and concerns of its populations. As Sidney Barthey (Jamaican Ministry of Education) remarked at different times during the seminar, the recognition of cultural diversity is not only a universal right, but a useful key element to strengthen economic rationality in development strategies. In fact, the rec-
Thematic Working Groups

The need for new types of federative local projects including cross-border networking was discussed as one of the main road ahead favored by the new opportunities afforded by communications technology.

Recommendations and a Proposal

The city—epicentre of ethnic, culture, and behavioral traits—is being recognized as the meeting point where local and regional policies join forces to tackle the challenges of globalization. It is therefore recommended that the nature of such synergy should be explored to that end in different parts of the world and the results of such survey disseminated to help improving policy cooperation.

Area-based cultural policies are also seen as instruments at the service of social cohesion insofar as they tend to redistribute resources to different cultural groups. Local and regional cultural negotiation should be the object of specific analysis and training for officers as well as for voluntary cultural actors.

Only by including a new breed of thinking on urban and regional cultural policies can congruence be brought to a discourse based on philosophies of “bottom-up” democracy, grassroots dynamics and sustainable development. Again, we should know more as to how cultural participation methods at local level can be transferred to other areas of urban and regional democracy.

Information and research on the role of artists and cultural projects in municipalities and regions with regards to economic development has yet to be properly identified and disseminated. Inter-area federations regionally and worldwide must be made aware of the importance of culture in their search for common sustainable development strategies.

Several things need to happen:

- Include cultural criteria in local development policies;
- Establish culture-oriented programs in the agenda of inter-local and inter-regional authorities;
- Empower local authorities worldwide to tackle culture and development problems that can only be valued where the information and the expertise is at the local level;
- Foster programs toward innovative local and regional cultural policies, including especially those led by arts organizations and NGOs;

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- Foster programs toward innovative local and regional cultural policies, including especially those led by arts organizations and NGOs;
• Include the heritage of today into the heritage of the future, that is investing in new art rather as well as in conservation;
• Start a new advocacy process by which society (and international players such as the UNESCO and the World Bank) can appreciate the need to focus on the local level where culture and society are indistinguishable; and
• Associate local cultural development to the capacity of urban and regional countries to establish co-operative links with partners beyond their immediate environment.

The working group formulated a double proposal.
• Therefore we are proposing an action-research exercise leading to a new world urban and regional cultural networking system:
  – to identify the differential nature of proximity cultural processes,
  – to identify the type of standing relationship undertaken locally,
  – to identify potential capacities and skills, and
  – to exchange information on co-operation patterns and new technologies component.
• Finally, we would like UNESCO and the World Bank to support and hold a conference on the aspects of cultural connectedness and local development in year 2000.

Participants
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Sue Boaden, Australia Street Company
Carla Bodo
Esteve Carames, Interarts Observatory
Chiara Damiani, Fabbrica Europa
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Ridha Tlili, Liasons Mediterraneennes
Andrea Volterrani, Fondazione Hypercampo
A
rchitectural heritage is spread all over the world and it is difficult to safeguard all the same level and at the same time. To establish a global strategy therefore is not only desirable but indispensable if we want to assure that decisions and choices are not arbitrarily taken under the pressure of emergency or particular interests. Financial availabilities are limited. It is the task of a strategy plan to provide rational criteria to optimize the resources in order to achieve the maximum benefit. The focus is therefore to define the criteria in order to establish the priorities, taking into account physical risks, cultural values, social consequences, and economic aspects.

Another important point regards the preventive measures and therefore the criteria to allocate part of the resources to prevent damage in architectural heritage at risk as well as assign money to restore damaged assets. A general strategy that takes into account the heritage of the world as a whole has, therefore, to be established, and the international institutions that take care of its safeguard should contribute to its implementation.

The strategy

The strategy should be based on a series of steps where, among the main tasks, there is the preparation of a sort of map of priorities, promoting a culture of preventive measures, rather than emergency actions. The main steps can be summarized as follows:

- A preliminary list (or inventory) of architectural heritage—a survey and data collection to establish an inventory of cultural sites, historic towns, monuments and historic buildings—should be set up in each country.
- This inventory should be graded highlighting the physical conditions and the legal framework obtaining a sort of intelligent list. This phase of activity in developing countries should be undertaken by the local authorities, with the cooperation of a team of international experts. These teams should have scientific knowledge and a homogeneous culture to be able to provide homogeneous judgements and evaluations. Therefore a policy of specific training would be necessary not only for the local teams but for the international experts.
- Architectural heritage is threatened by two categories of risks: unpredictable (wars, strong earthquakes) and predictable, related to the intrinsic characteristics (typology), the present
situation of damage and decay, and the environment conditions (pollution, earthquakes).

Little or nothing can be done to prevent damage and collapses from unpredictable risks and in this case an organization of risk preparedness appears to be the most rational possible strategy. Therefore this strategy plan will focus only on predictable risks. Predictable risks can be organized systematically, creating a map of physical risks, that associates any asset of the intelligent list and establish a conventional risk index, that prioritizes probabilities that serious damage, collapse or irreversible decay might occur in the future.

It has to be taken into account that such an evaluation, at least initially, is much different from the diagnosis and risk assessment of individual buildings, as it has to necessarily be carried out at an approximate level, dealing with a great number of assets. As it is impossible to propose such an activity that is complete and extended to all the territory, it should be thought of as a step-by-step process, always in progress, starting with a limited number of assets, and first-phase approximate evaluations. It also has to be stressed that the vulnerability assessment—that is the probability-consequences assessment—is based not only on quantitative, but also on qualitative procedures.

- The Map of Physical Risks represents an important point in the systematic knowledge of architectural heritage and allows for establishing a policy of preventive measures. However, these maps are not sufficient in themselves to categorize the priorities, because there are other values that have to be considered. They can be placed in three value categories: cultural, social, and economic. Social values would require local community participation and consider questions such as why we conserve and for whom we conserve. Economic values involve tourism, employment and capacity to create new work opportunities.

- The Map of Priorities is the result of putting together physical risks and values, also taking into account management aspects (legal framework, financial and human ownership policies). The organization of such a map requires a specific kind of cost-benefit analysis, because the assessment is a difficult task, the costs and benefits can only partly be measured in monetary terms. The intrinsic value of architectural heritage and correlated effects can not be evaluated in conventional terms, but must also consider changing aesthetic and historical evaluations as the culture changes over time. The “priorities” do not necessarily involve an entire site, historic town, building, etc., but often refer to only a portion of them or just specific operations. In many cases, therefore, a philosophy of “partial” intervention appears to be the most successful.

- The interventions plan is the final step of a general strategy plan and refers to the measures to be undertaken which can be related to different categories:
  - maintenance and conservation,
  - monitoring,
  - preventive measures,
  - emergency repair procedures,
  - repairs and restoration works,
  - transformation of the original use and function.

These measures should be regulated by specific guidelines.

Activities and Analysis Associated with the Implementation of the Strategy

The implementation of the strategies briefly described above involves a series of parallel activities and analyses related to training, local participation, dissemination, international support, pilot projects, incentives, and sustainability.

Training is an indispensable beginning activity and should be based on moving teachers to the sites rather than removing trainers from the site. This activity should be placed in the framework of the international support and associated with the dissemination of knowledge (network).

Local involvement is a focal point and various activities should be carried out by local people with the support of international experts, who, at the same time, will provide guidance and training. As some evaluations (risk, cultural value) are not absolute values but related to local conditions, it is important that the host country be involved in this discussion.
International technical support would come from the organization of international expert teams whose principal task is to provide uniform guidance and training that monitors the local experts in the development of the various activities.

International financial support and incentives should be a benefit to the countries where the implementation of appropriate strategies, including maintenance and preventive measures, are going to be carried out. The international support has also to take into account the capacity of the country to “sustain” the development. It is suitable that a kind of reserve funds would be available to be used in emergency situations.

Pilot projects involving multidisciplinary local and international teams are suitable to validate step-by-step the criteria assumed and to develop the maps of risk and priorities. These should take into account that qualitative evaluations play an important role and do not exist as universal formulations to be applied everywhere.

The evaluation processes should take into account the quality of life, the diversity of the cultural heritage and of the environment and the various context in different countries.

All the processes should be organized in an informative computerized system on a topographical basis (such as GIS).

Guidelines

A first group of guidelines regards each single historical building or monument and therefore the most technical aspects as the diagnosis, the risk assessment and the criteria of intervention,1 which must take into account also the ethical and cultural point of view. We can categorize them in more detail.

The phase of diagnosis and safety evaluation

This phase is based on the analysis of the data acquired through an investigation campaign on the careful observation of the asset, on the structural analysis, and on the historical researches of the site or building. This phase is important because from the judgement on the safety levels springs the decision if—and to what extent—measures should be undertaken. Diagnosis should be based on a coherent plan of investigation to obtain the best evaluation, melding together objective and subjective, quantitative and qualitative, theoretical and experimental data. Usually it is convenient to start with a few indispensable investigations, and then to extend them when it appears that further investigative work will be necessary to improve the knowledge. It should be noted that a similar methodology has to be followed in preparing a Map of Risk taking heed, however, that, when we deal with a large number of assets and not with a single one, the degree of accuracy will not be the same.

The choice of the intervention

The choice of measures to be undertaken should take into account many factors: maintaining the original use and function or modifying it relative to new requirements, including tourism; strengthening and repairing the original structure, modifying for better performances; and using traditional or innovative techniques. The plan of action has also to consider the extent and the possibility of having a minimum of the intervention. Often a rational approach is that called an observational approach, that is to prepare a flexible project based on subsequent phases, each phase representing an extension of measures designed from the previous phase, to be implemented when the results obtained are not fully successful. This is particularly interesting when it is difficult to obtain reliable data or evaluations.

This approach, effective in determining a plan of urgencies and priorities, fits well with the philosophy of minimum intervention and with the request of gradually improving of the safety and the general conditions of architectural heritage. It is the experimental control and analysis of the data acquired through monitoring on one hand, and the risk accepted by society on the other, that aids in determining at what level the interventions can be considered sufficient.

Controls and monitoring

Controls and monitoring plans are an important part of the project and involve preliminary investigations, controls during the work and final testing
to ascertain the fulfillment of the design objective. Specific controls and monitoring are also part of a maintenance plan.

**Other Guidelines**

A second group of guidelines should address the architectural heritage of a region or of a country as a whole, and involve, therefore, the organization of various steps, briefly described in implementing a strategy above. This group of guidelines is, therefore, of a more general level and includes the first group, even if they have to be interpreted here only in an approximate way, having to be applied to a great number of assets.

**Organizers**

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A. Beschaouch, Special projects, UNESCO  
M. Bouchenaki, Director, Division of Cultural Heritage, UNESCO  
G. Croci, President of ICOMOS International Committee for analysis and restoration of structures of architectural heritage  
J. L. Luxen, Director General, ICOMOS
Coordinated by the Ford Foundation

This report summarizes the deliberations of the Working Group on Cultural Enterprises convened by the Ford Foundation within the context of its new efforts to enhance institutional innovation, cultural stewardship and cooperative engagement. The rationale for the meeting stemmed from the global recognition of the role of arts and culture in sustainable development. Throughout the world, culture is no longer viewed only as a way of life or a heritage, but also as an enterprise. The notion of cultural enterprises is not limited to business ventures. It refers also to other critical undertakings, including organizations, mechanisms and efforts to broaden public access to cultural resources, to build and sustain infrastructures for the production and transmission of knowledge, and to expand the civic role of artistic and cultural expressions.

The Working Group focused on Africa, the Caribbean and Latin America where problems related to the development of cultural enterprises are most severe and institutions to alleviate them are few, fragile, nonexistent or not easily known. Presentations by speakers, including Ford grantees, and the discussions that followed concentrated on the basic infrastructures on which the continuance and development of artistic creativity, cultural vitality and preservation depend.

Mission and goals

The mission of the Working Group was to assess key issues affecting the development of cultural enterprises in Africa, the Caribbean and Latin America. It provided an opportunity for policymakers, donors and professionals in the cultural sector to discuss not only best practices and lessons learned, but also the future requirements, competencies, and support systems that would enhance the development of cultural enterprises in developing countries. Accordingly, the pursued goals were:

- To assess the state of cultural enterprises in Africa, the Caribbean and Latin America.
- To analyze constraints hindering production and distribution systems.
- To discuss the inter-relationship between cultural vitality and economic interests.
- To identify potential areas for business development and employment creation.
- To explore opportunities for domestic and international markets.
- To develop strategies for rural community engagement and entrepreneurship development.
- To explore mechanisms for future support and continued knowledge building.
Participants
Seventy participants representing various institutions and disciplines in the arts, culture and social sciences attended four sessions devoted to theoretical and practical considerations in the development of cultural enterprises, including cultural markets, cultural policies and management training, funding and networking. Each session had three presenters for preliminary remarks before topics were discussed by the audience and summarized by a reporter. The list of speakers and rapporteurs included Damien Pwono, Basma El-Husseiny and Njabulo Ndebele from the Ford Foundation; Angeline S. Kamba from Zimbabwe; Els van der Plas from the Prince Claus Fund for Culture and Development in Holland; Hilary Brown from CARIFORUM Cultural Centre in Jamaica; George Abungu from the National Museums of Kenya, Walter Bgoya from Mkuki na Nyota Publishers in Tanzania; Paul Tiyambe Zeleza from the University of Illinois; Claudia Urdaneta from the Caribbean Network of Arts Presenters in Venezuela; Ian Randle from Ian Randle Publishers in Jamaica; Mpenga Kabundi from the International Labor Organization in Geneva; Tom Aageson from Aid To Artists in the U.S.; Adrianna Ribero from Casa Via Magia in Brazil; Florence Alexis from Afrique en Creations in France; Charlotte Elias from the Caribbean Contemporary Arts in Trinidad; Alicia Adams from the John Kennedy Center for the Performing Arts in the U.S.; Helen Denniston from the Ubuntu Network in England; Salah Hassan from Cornell University in the U.S.; Carol Lawes from CARICOM in Guyana; Ben Zulu from the African Script Development Fund and Gillian Nyambura of the African Publishers Network in Zimbabwe.

The Problems
Participants discussed major challenges and opportunities in the development of cultural institutions on both the macro and micro levels. On the macro level, they noted that major problems in the development of cultural institutions have been caused by the legacy of past economic models of development and political policies of exploitation, exclusion, isolation and oppression. These constraints are also felt at the micro level, affecting peoples' perceptions of and attitudes towards arts and culture, further contributing to their marginalization. For example, prior to the launching of the United Nations' World Decade for Cultural Development (1987-97), arts and cultural institutions were often perceived as "an expensive luxury" not needed in developing countries and rural or poor communities of the Western countries. Since the modernist approach to national development and strategies adopted by colonial regimes and other development planners identified ethnic cultures with "traditions" and "folklore" considered to be static and backward, it is significant to find that after independence, mobility and emancipation, this view continues to be held by many policymakers and members of the intelligentsia. As a result, utilization of local knowledge, know-how, beliefs and traditions, memory, collective imagination and aspirations is widely precluded.

In developing countries, artistic and cultural expressions, although used by political leaders for personal political gain, are perceived by many postcolonial governments as impediments to a development defined entirely in economic and physical infrastructure terms that stress solving problems such as those of health, housing, and roads. Although some countries took steps to create departments, institutions and programs for promoting artistic and cultural activities, including scholarly research and cultural exchanges, many of these institutions were progressively marginalized and brutally choked with the rise of other socioeconomic challenges, dictatorial regimes, ethnocentrism and narrow intellectual conformity. Similarly, the field of international cooperation focused mainly on socioeconomic needs without provision for arts and cultural institutions. Consequently, cultural cooperation is often understood in terms of academic exchanges and/or the exportation of certain Western artistic and cultural experiences.

Participants acknowledged that the challenges of culture and development are faced not by developing countries alone, but also by Western countries. For example, in the United States of America, like anywhere else in the industrialized world, the persistence of poverty, racial discrimination and ethnic intolerance, environmental degradation and neighborhood decay, identity crisis and the problems of access to resources and equity shows that economic growth cannot be the only requirement for measuring progress or people's wellbeing. Lessons learned from recent world reports such as the Human Development Report by
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the United Nations Development Program (UNDP) and the World Culture Report by UNESCO reveal that rural or urban development planning in Western countries can no longer afford to ignore the natural and cultural environments, needs, aspirations, and values of concerned communities. Although the strongest cultural institutions are located in urban centers, they often do not respond appropriately to all needs of their communities. Consequently, the institutional requirements for cultural stewardship in both rural communities and poor urban neighborhoods remain a challenge to be addressed.

The Opportunities

Despite these problems, changes in cultural institutions and in international cultural cooperation are emerging. These changes reflect a paradigm shift characterized by several factors: the emergence of new structures for the promotion of culture, the increasing recognition of the role of artistic and cultural expressions in human development, the rise of professionalism in the field of arts and culture, the impact of technological innovation and the commodification of culture, the global expansion of market economy, the growing interests in the appreciation of “other cultures” or shared cultural experiences, and the changing attitudes of researchers, artists, audiences, mass media professionals and policymakers as well as developments in other sectors that are providing opportunities to probe new ways of addressing cultural development challenges in both developed and developing countries.

Networking has emerged as a key strategy employed by professionals and policymakers to promote cultural heritage and to improve cultural cooperation within countries and regions. It helps professionals from around the world work together on common problems and interests. In fact it has become the strategy of choice for Diasporic, geo-political, donor and professional communities that are cut off from each other within their regions or are seeking to connect continentally or globally. Therefore, the recognition of national, regional and global cultural networks of professionals and institutions promoting people’s memories, heritage and sustainable development is not only important for the sake of advancing mutual understanding and socio-economic prosperity, but it is also essential for the purpose of understanding socio-cultural diversity, regional and global interdependence.

The development of the nongovernmental sector, the emergence of civil society, the advocacy work of cultural entrepreneurs, the growing valuation of shared cultural heritage and the increased demand for access and equity to cultural resources are challenging cultural institutions to become proactive and accountable. Inevitably, several management issues have become of critical concern to professionals in the field of arts and culture as they re-conceptualize cultural development and develop strategic alliances for action, particularly the formulation and implementation of sound cultural policies, the professional development of cultural managers and artists, the production and distribution of information, the application of quantitative and qualitative methods in cultural research, the transformation of old infrastructures and the establishment of cultural markets.

The development of cultural markets is one example of a new approach to a set of cultural activities, referring to the supply and demand of ideas and products in their interpretation of the interaction between arts, culture, politics and socio-economic development. Over the last few years, this notion of cultural markets has emerged as an important development in the mobilization and deployment of human, financial and material resources for cultural development. These cultural markets consist of spaces where cultural goods and ideas are traded. They include festivals, book fairs, arts and culture buyer/seller encounters, arts and craft expositions, arts exhibitions, artistic competitions and cultural Olympics. The notion of cultural markets has also opened the spectrum of the culture sector to include artistic expressions such as handicraft, fashion, film and television that have not been prominent in the arts and culture field because of their presumed commercial connotations. The obvious relationship of cultural markets to pressing social and economic development objectives such as employment generation, skill training, poverty alleviation and social cohesion has made this concept attractive to many governments and organizations in the developing world. While government subsidies for arts and culture are shrinking in these years of retrenchment and fiscal austerity, the development of cultural markets seems to open new revenue generating opportunities for artists and humanists eager to create and exhibit their work.

Although cultural markets are sources of motivation and cultural confidence in the production
and consumption of culture, the demand—both domestic and international—for high quality artistic and cultural outputs portraying local experiences is challenging local cultural entrepreneurs, artists and cultural managers to meet people’s expectations. Accordingly, the balancing of commercial interests, aesthetic considerations, artistic creativity and cultural preservation needs will, more than ever before, will continue to challenge artists and cultural managers as they engineer future tools and processes for cultural development.

Conclusion

The current state of cultural enterprises in developing countries is characterized by the continued reliance on traditional thinking and approaches to culture. Although the role of cultural enterprises in the promotion of sustainable development is now generally recognized, these institutions that produce and promote artistic creativity and cultural expressions attract less financial support for institutional development. Support for arts and culture continues to target content development and the presentation and/or interpretation of standardized forms and styles by mainstream institutions in urban centers. The challenges of cultural heritage development in rural and underserved urban communities, as well as the lack of support for new creative and innovative experiments that fall outside the realm of what has become common practices are calling for new strategies in cultural development.

While there is much to be said for the traditional approaches to cultural enterprises, the challenges of the present global social, political, economic and technological environment call for new methodologies. For example, the increasing awareness of the diversity of cultures worldwide and the multicultural nature of many nations has raised new problems, including the globalization of artistic and cultural expressions, the commodification of culture and its impact on artistic requirements and commercial interests, and the development of cross-cultural exchanges, all of which call for innovative thinking and strategies for finding solutions to issues of identity, community development and nation building. Within the context of the culture and development debate, the quest for new knowledge on pluralism, social capital and human development in much of the developing world creates new opportunities for certain traditional institutions and indigenous practices. However, these traditional values and practices cannot be blindly integrated into current efforts to enhance political or administrative reforms and popular participation in cultural and/or socioeconomic development. Whenever appropriate, the transfer of these traditional values or practices into contemporary contexts of application requires an adjustment necessary for their effectiveness. Therefore, there is an increasing demand for applied cultural research in addressing issues related to the development of new cultural spaces, the modernization and/or the indigenization of tools that give new life to traditional forms, sounds, styles and contents of artistic and cultural expressions.

Accordingly, future approaches to cultural enterprises must be multidisciplinary in nature, facilitating the design and implementation of creative and innovative alternatives, while creating opportunities for continued learning and experimentation. For example, the growing interest in the valuation of intangible assets in the field of finance and investment is creating opportunities for cultural leaders as they go beyond aesthetic considerations in the development of cultural policies and the articulation of their needs for cultural stewardship and cooperative engagement.

This synergetic approach to cultural interventions was described as cultural engineering, an approach that takes into account the changing concepts of culture and the need for well-designed strategies for dealing with the issues and problems they raise. It was noted that culture change is no longer only something that takes place as a historical or “evolutionary” process, but also something that may be deliberately planned or “engineered” because it is held to be desirable by consensus, presumed to be forward looking or viewed as a concomitant of development in other spheres. Therefore, the scope and pace of change can be regulated. Culture is “creative” in the sense that aspects of it may be created or re-created in the light of new ideas and changing circumstances. This dynamism of culture can be enhanced not only through periodic revisions, but also through cultural engineering as cultural entrepreneurs design systems, processes, alternatives and creative solutions to cultural development problems. Cultural engineering was thus not conceived only with the safeguarding and conservation of tradition where it is assumed to be in danger of extinction, but with finding and designing solutions to
the challenges raised by the issue of contemporary relevance. For example, the approach to traditional musical instruments could well go beyond their collection, classification, preservation, storage and exhibition as artifacts and preoccupation with other concerns of organologists to practical questions concerning the manufacture, distribution and marketing of such instruments in contemporary contexts for the purpose of music education and other contexts of application. Questions concerning the use of appropriate technology to facilitate production on quantities that meet the demands of the contemporary context, problems raised by tuning, durability, ethnic diversity, availability of related instructional materials, repertoire, and so on must be tackled. In other words, the development of cultural enterprises—including new products, systems, tools and processes—should become an integral part of cultural development planning.

**Recommendations**

Aware of the weak state of cultural enterprises in the developing world, participants agreed that the development of technical and managerial competencies and the allocation of adequate resources are key challenges facing cultural enterprises, governments and international development agencies as they search for new approaches and tools for cooperative engagement. In light of the foregoing, the Working Group recommended:

1. The establishment of regional funds for the development of cultural enterprises.
2. The inclusion of cultural impact assessment and cultural funding clauses in bilateral and multilateral development cooperation agreements.
3. The funding of cultural research, including studies on the socioeconomic impacts of cultural enterprises, including their contribution to employment creation.
4. The development of appropriate professional training programs for cultural entrepreneurs.
5. The development of regional cultural markets and professional networks.
6. The institutionalization of an annual international forum on cultural enterprise development.
Current records and historical archives are a continuum that documents the actions of individuals and states. On the one hand, records provide the evidence governments need to function and be accountable, to develop and implement policy, and to protect citizens’ rights. On the other hand, as archives, they constitute a vital element of cultural heritage by preserving the collective memory of a nation and forming an essential link in the chain of human history. Records and archives management has key implications for development, often overlooked. The documentary evidence conserved in the archives of a country is essential for ensuring accountability, and thus good governance, in both the public and private sectors of the economy. Over time, the same documents contribute to social development by constituting an essential part of the cultural heritage of a country and permitting law enforcement and the protection of citizens’ rights, including human and property rights. In view of the public-good nature of records and archives management, development institutions can play a key role in this area by including these components in traditional projects and raising awareness on these issues. Moreover, externalities and economies of scale with other projects suggest that the involvement of development institutions in records and archives management could be particularly cost-effective, especially in relation to the long-term benefits for development and civil society. Finally, the interest expressed by donors in funding part of this endeavor makes this the time to act.

The topics of discussion included the following:

- Archives and sustainable development;
- Archives and the heritage of Latin America (the Organization of American States (OAS)/World Bank Latin American Archives partnership program);
- Archives, identity, and development in a capital city (“Buenos Aires 1910”, the exhibit);
- Private sector partnerships in historic, environmental and archival preservation (the case of private archives in Oaxaca, Mexico);
- Archives, public access, and community outreach (European experience and expertise);
- World Bank initiatives and partnership programs on archives (the opening of the Archives of the Bank, the Archives of Development
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Outcomes of discussion

This meeting provided the opportunity to discuss ongoing and planned initiatives in the field of archives preservation and access, as well as success stories on archives in sustainable development such as the one in Oaxaca as presented by Maria Isabel Granén Porrúa and Carolle Carr and “Buenos Aires 1910” presented by Margarita Gutman, and possible opportunities of partnership and cooperation among interested agents worldwide. The Fundación Histórica Tavera (Daniel Restrepo Manrique) updated the working group on its ongoing initiatives all over Latin America and ICCROM (Katrina Simila) shared its long experience in training in conservation with the objective of building capacity in developing countries worldwide. The Istituto Italo LatinoAmericano (Ambassador Bernardino Osio) briefed the participants on the inventorying and cataloguing of ancient funds in Peru and Bolivia under its sponsorship with the Italian Cooperation (Rita Gonelli). The Istituto Luigi Sturzo (Giorgetta Bonfiglio Dosio Battaglia, Antonio Casselli, and Flavia Nardelli Piccoli) provided an insight in the European expertise and the ongoing market-oriented endeavors to put libraries and archives on line (Trainet Project) and IMATION (Mario Sanchini) shared a private sector for-profit point of view. The Johns Hopkins University (Anthony Pagden and Giovanni Zanalta) provided the historical insight, while the World Bank (Carolle Carr, Andrés McAlister, and Elisa Liberatori Prati) and OAS (Sara Meneses and Joaquin Tamayo) presented their partnership initiatives for comments and discussion. Offers of technical support and assistance in this planning phase of these partnership initiatives were made by participant institutions such as ICCROM, Central Office for Archival Patrimony of the Italian Ministry for Cultural Heritage and Activities (Rosalia Manno Tolu), Subdirección General de los Archivos Estatales del Ministerio de Educación y Cultura de España (Guadalupe Moreno López), Fondazione Franceschini of Florence (Claudio Leonardi), MEDICI Framework (Alfredo Ronchi), and State Archive of Florence/Scuola Normale Superiore of Pisa-CRIBECU Project (Stefano Vitali). We consider this working group meeting a positive step forward in establishing a community of practice and a network of partners to carry out joint initiatives in this sector. We keep receiving comments and feedback from participants and institutions interested in this effort. As a follow-up to this meeting, we are discussing with ICCROM and the Open Society Archives (Gabriella Ivacs) how to formalize an effective partnership.

Sara Meneses, Director, Office of Cultural Affairs, OAS, presented the final report to the conference plenary. Several points arose from the discussions that address the important relationship existing between archives and development and their inherent and vital link with topics such as the following:

- Defense of human rights,
- Defense of citizens’ rights,
- Better governance,
- Fight against corruption,
- Transparency and accountability, and
- Reinforcement of national identity.

In discussions, emphasis was placed on taking into account the need to preserve archives as an integral part of our cultural heritage and identity, and to make them at the same time accessible to the community to bring them alive and make them tangible. Knowing the location of the documents and their physical condition in order to restore and preserve these valuable historical records, as well as to make them accessible, are some of the main challenges facing archivists today. Obtaining positive results in these areas may lead to an increase in cultural tourism, development of cultural enterprise, and the promotion of our cultural heritage. In essence, when talking of archives, we must reflect on the idea that it is “worthy to preserve the past for the future,” but we must also be aware that “time is our cruelest enemy.”

Several specific topics addressing advances in the areas of preservation and accessibility were highlighted and discussed, as follows:

- Recognition was made of the efforts underway in the World Bank and the OAS to create a forum for international dialogue and they were urged to continue this course of action.
- Emphasis was placed on the important contributions that foundations, entities, and organizations are making in the fields of preservation, conservation, and dissemination of archives and documents, as well as on the importance of continuing in this line of action.
Particular emphasis was made concerning the role that governments and the civil society must play in this process, in particular, in the training of human resources and the incorporation and updating of technology.

In order to further advance the subject of the role of archives in development, the World Bank Information Solutions Group is developing two new programs. These will include the participation of external partners, such as national archives in client countries, the OAS, the International Council on Archives, ICCROM, the International Records Management Trust; and within the Bank, the Environmentally and Socially Sustainable Development Unit for Latin America and the World Bank Institute. The first project, titled “Archives of Development,” will open the Bank’s archives to the public. The objective of this project is to use the Internet to link the catalogue of the World Bank archives with a number of development organizations and member countries, therefore providing seamless global access to their own staff, their clients and partners, as well as the public at large.

The second project, “Learning Program on Archives and Records Management in Culture and Development,” is a pilot program for Latin America with the purpose of raising awareness and building capacities in two areas: implications of good archives and records management in economic and social development; and the preservation of cultural heritage and the protection of citizens rights, increased transparency, accountability, and good governance. In essence, all the aforementioned ingredients are part of the fundamentals of democracy. This project will be carried out through the World Bank web site, distance learning modules, and other materials.

The OAS has worked and will continue to work in partnership with the World Bank and other organizations in preparing the human capital for archive work. In this sense we are prepared to continue a tradition that began when Professor Tanodi, of Argentina, as the head of the Inter-American Center of Archivists funded by the OAS, trained most of the modern-day archivist in Latin America. The World Bank and the Office of Cultural Affairs of the OAS have been organizing national roundtables on archives in Argentina, Colombia, Brazil, and Uruguay. These roundtables address, among other things the needs assessment developed through the studies undertaken by the Fundación Histórica Tavera in most of the countries in Latin America. The OAS has also supported and financed specific projects in the field of archive development, which include the Spanish translation of documentation and training modules developed by the International Records Management Trust for the International Council of Archives, and scholarships and internships for archivists and training courses led by ICCROM in scientific techniques for the preservation of archives. Archive project proposals are presently under review at the OAS as part of the modest funding that the OAS has available at this juncture in time.

Other important program developments in this field at the international level merited specific mention, including those carried out by the Government of Spain (Development of Ibero-American Archives), ICCROM, Fundación Histórica Tavera, the Italo-Latin American Institute, and the Open Society Archives.

We can conclude that the goals of strengthening the preservation, enhancement and accessibility of archives, as well as their incorporation as an important element of development, cannot be achieved without the partnership of dedicated people working in institutions, governments, national entities, and international and regional organizations, the civil society, and the private sector. It is encouraging to take note that in the proceedings of the working group, some institutions and foundations have already offered their support. If we have created among ourselves an awareness of the role of the importance of archives for the future of humankind, then we reached, at least in a small part our goal.

Participants'
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The workshop, Cultural Tourism and Development, focuses attention on the role of cultural tourism in the process of economic development, with particular attention given to cities in general. The workshop examines the processes of evolution in the field of tourist demand, as well as certain Italian and foreign case studies to measure the positive and negative effects on social and economic structures.

What are the tendencies of development in the market of cultural tourism? How may cultural tourism assist in the conservation of the cultural heritage? How can cultural tourism become a factor in social and economic development?

When examined from an economic development point of view, these questions reveal certain aspects which can be complicated. First, a practical or usable definition of “cultural tourism” in a development strategy in areas encompassing cultural heritage, requires a more detailed analysis and precise identification of demand and required services. In many cases cultural tourism does not refer to cultural heritage. But rather, it is a demand for entertainment that could be satisfied by various other means.

A second consideration is that the connection between cultural tourism and conservation of the cultural heritage is not obvious or clearly defined. Rather than being a tool of conservation, tourism in many cases can accelerate certain destructive processes of the cultural heritage. With the obvious exception of ticket entry fees into museums, monuments, and other cultural sites, the direct benefits of cultural tourism toward the conservation of our cultural heritage are certainly limited.

Furthermore, the connection between cultural tourism and economic development should be analyzed carefully. There are few cases where cultural tourism can actually show a significant quantitative and qualitative impact on the social and economic development of a city or region. The reasons for success or failure of economic development strategies based on cultural tourism are complicated and require detailed analysis and verification of the determining factors.

These questions are further examined with various reports and case studies from Italy and from developing countries. Gregory Ashworth discussed the theme of development of cultural tourism in historic cities and Jan van den Borg looked at the problem of the impact of tourism on the economy and cultural heritage of the city. The central theme of these contributions is the relationship between cultural tourism and economic development in historic cities on one hand and the preservation of their cultural heritage on the other.
On the first point, there was discussion on the thesis that the role of cultural tourism in economic development is exaggerated with regards to its effective potential economic impact. One analysis on the results of cultural tourism in the last ten years in various areas of the world clearly shows that even in the “superstars” of cultural tourism, such as London, Paris, Venice or Prague, there is a relatively modest impact on the local urban economy. In a strict sense, cultural tourism is still a small part of the total market of tourism, which in other markets still refers in great part to the 3 S’s (sun, sand & sea) and thus, the use or exploitation of the historic cultural heritage is of secondary interest.

Notwithstanding these limits, cultural tourism represents great development potential on a medium-to-long term basis, especially when supported by educational programs on the use of artistic and historic patrimony, as well as policies of tourist traffic management and support services.

Cultural tourism can in fact help to sustain the growth of service sectors, normally characterized as labor intensive. It can also push local administration and private businesses to increase investments in the conservation of local or national heritage and the production of cultural activities; two important areas of employment and development.

Regarding the relationship between cultural tourism and conservation of cultural heritage, it has been noted that beyond certain limits, tourism can become a negative element concerning conservation and use of the historic, cultural patrimony. A great part of cultural tourism in fact is a model of rapid consumption which is interested in a limited number of “objects” (museums, monuments, sites). These are considered the indispensable components of a tour or visit and demand concentrated attention. It is for these reasons as well that the working group highlighted the necessity to initiate patrimonial conservation projects, especially in developing countries, with a strategy of territorial diffusion of investments and tourism promotion.

Regarding the relationship between cultural tourism and the financing of conservation of national heritage, the direct contribution of cultural tourism (entry tickets, souvenirs, general spending) is relatively modest with respect to the costs of investments and maintenance. The contribution of tourism toward these ends may be improved by information programs and local services offered, and development of partnerships or collaboration with tour operators. In any case, conservation of the cultural heritage will always require outside help and assistance, public or private.

Analysis of various case studies of interest were used to examine the themes and questions of the working group. Valéry Patin and M. Ben Frej presented a project supported by the World Bank for the development and appraisal of historic cities in Tunisia. Enrico Fontanari presented a project by the InterAmerican Development Bank for the development and appraisal of various archaeological sites in Bolivia and Suhadi Hadiwinoto presented another project supported by the World Bank for the conservation of cultural heritage in Bali. Three Italian case studies were examined as well. Paolo Ceccarelli discussed the cases of Ferrara and Massa and Francesco Bandarin examined the organization of the year 2000 Jubilee in Rome.

The case studies confirmed the importance of policies of intervention on cultural heritage sites with regards to economic development. As demonstrated by certain cases analyzed, (such as Ferrara and Bali) the value of the protection of cultural heritage is not limited to the sole benefit of tourism. Rather, it also helps to consolidate the identity of a community, reinforce institutional bonds, and supply a solid base for human and social development strategies.

In addition to the physical benefits of cultural site appraisal and improvement (museums and monuments), another factor of success in strategies for sustainable cultural tourism is increased artistic and cultural, as well as the quality of services (which was illustrated by examples in Rome and Bali).

An element of importance that emerges from the analysis of case studies is the necessity to integrate cultural intervention projects with programs of social development and local economic promotion (Tunisia and Bolivia). Without these bonds, interventions in cultural patrimony cannot produce benefits for society and are not sustainable over long periods of time. The cases demonstrate that even development strategies which are oriented toward the cultural offer cannot be realized quickly and must expect the same time to mature that would be required for the training of local personnel and social development.

The new international “plan” of cultural tourism presented and adopted at the 12th General
Assembly of the ICOMOS in Mexico City, October 1999, establishes the “ethical” principals of the relationship between tourism and cultural heritage, revising the previous text of 1977. The major points established by the plan follow:

- Education of the local community on the importance of protection of the cultural heritage to promote understanding and appreciation of local culture;
- Management of potential conflicts between tourism and conservation with the scope of sustaining and preserving cultural heritage for future generations;
- Planning of tourism and cultural conservation to assure the best quality possible for visitors;
- Involvement of local community in the tourism planning and cultural conservation; and
- Contribution of tourism in the promotion of conservation and protection of the natural and cultural heritage.

Participants

**Gregory Ashworth**, Instructor, University of Groningen  
**Francesco Bandarin**, Director of Special Programs, Agency for the Preparation of the Jubilee, Rome  
**M. Ben Frej**, Director, National Cultural Heritage Institute, Tunisia  
**Paolo Ceccarelli**, Dean of the Dept. of Architecture, Univ. of Ferrara  
**Enrico Fontanari**, Instructor, University Institute of Architecture, Venice  
**Suhadi Hadiwinoto**, World Bank Office, Jakarta  
**Valéry Patin**, Expert, Empreinte et Communication, Paris  
**Armando Peres**, General Director of The Italian Touring Club  
**Jan van der Borg**, Instructor, University of Venice, University of Rotterdam  
**Maria Luisa Wagner**, World Bank, Europe and Central Asia
Points two and three of this conference's 'Rationale' frame the outputs of the UNESCO intergovernmental conference on Cultural Policies for Development, held in Stockholm 1998 and the World Bank meeting, Culture in Sustainable Development: Investing in Cultural and Natural Endowments, held in Washington last year. Therefore, while pointing out conference's goals and outcomes the sentence fourteen recognizes that "cultural embraces areas as diverse as cultural heritage, publishing, audio-visual industries, handicrafts and design, oral traditions, multicultural relations, social cohesion". So, while facing the problems of financing culture in sustainable development, the rationale clearly collects into the same category both tangible and intangible cultural phenomena. It correctly reflects the state of art of current debate on the meaning of "culture" as political and administrative general target, clearly lighted in the "Policy objectives recommended to member states" by UNESCO in Stockholm last year where culture includes "moveable and unmovable heritage,...traditional and popular culture, the status of the artist and linked issues". In this conference culture is therefore meant in a very broad sense.

But in assessing the state of knowledge in cultural management it is necessary to clearly keep the basic distinction between tangible and intangible culture. Tangible means built legacies of the past, movable artifacts, natural and urban assets, the "cultural value" of which is displayed through physical substance. Intangible doesn't necessarily possess such features. Articles 1 and 2 of the 1972 UNESCO Convention for the protection of the world cultural and natural heritage provide a definition of cultural and natural heritage, currently accepted by 168 signatory nations. As cultural heritage is meant monuments, groups of building and sites; as natural heritage, "physical and biological formations, geological and physio-graphical formations, natural sites...of outstanding universal value". In assessing state of knowledge in our
opinion this definition provides the proper legal reference.

Managing tangible culture in fact requires works on object's physical substance, what doesn't happen in second case. Intervention on valuable buildings, urban assets and cultural sites may be seen as something similar to interventions on civil infrastructures on the territory. Both affect the physical and esthetical equilibrium of a territory, together with quality of inhabitants’ daily life, culture, and economy. Correctly the rationale's number fourteen, as already observed in 1996 by Stefano Pagiola (World Bank Environment Department) in *Analysis of Investment in Cultural Heritage*, recognizes that “the feasibility of creating special approaches for funding and financing” may “include recent experiences in environmental valuing, conservation and economic management”.

Managing intangible culture requires scientific, organizational, and administrative measures rather than actual works on physical objects. Consequently, from a technical point of view, it must be faced in a different way. This difference is basic, because ensuring proper use and decay prevention of world cultural/natural heritage is the true challenge that we all are facing.

The decay of monuments is caused by the interrelation of natural and man-made causes. Beside the degradation due to the natural aging of materials and the actual ways of over- or under-exploitation, from the territory arise risks such as earthquakes, flooding, air and soil pollution, over-exploitation of the natural resources that may affect landscape. In this light, managing is the complex of actions, normally performed by public institutions, aiming at ensuring monuments protection from decay and their enhancement through scientific, administrative and technical measures. This complexity of actions includes two types of activities: general planning and works implementation.

Unfortunately, for both of them the criteria currently adopted must be defined as quite irrational. For what general planning is concerned, decisions are not put into practice on the base of the actual risk of decay or loss. They are often linked to factors as economic or political convenience more than on actual urgency. Of course, economic and political convenience can't in themselves be defined unsuitable but, from a tightly technical point of view, they must be defined inadequate. Since the distribution of resources usually does not keep into account risk of decay or loss, it follows that beside assets attentively cared because of economic or political convenience, the network of built or natural assets that makes up cultural property of a community keeps on being exposed to risks and damages. This generally happens in fast developing countries, where the changes in ancient territorial and urban equilibrium are occurring very quickly, often without any order and ratio.

As for works implementation, in many countries intervention on cultural heritage is not recognized as an autonomous professional field. Planners, craftspeople and scientists that perform restorations often lack any education on the specificity of cultural heritage. Many ignore that conserving ancient buildings and artifacts require knowledge of history, of ancient techniques, of forms of decay, of the objectives of intervention. Thus often interventions damage the monuments, instead of restoring them.

Such irrationality in managing cultural heritage, thus, doesn't depend only on insufficiency of resources. As for general planning it even depends on lack of awareness of skills concerned and nonexistence of basic tools, such as general surveys of the monuments, rational knowledge of their actual decay conditions, and rational knowledge of the rate of exposure to the different types of danger. While as for works fulfillment depends on lack of specialists in planning and implementing works.

Therefore the measures to be envisaged in order to increase the effectiveness of decision making (for example in establishing priorities) and works implementation must be twofold—expand managing tools and train specialized skills—according to the basic principles that are already, through the numerous UNESCO recommendations, accepted.

For the managing tools, one notes the tight linkage existing between protection of cultural heritage (buildings, archaeological sites, urban assets) and territory management in broader sense. Proper intervention on built legacies or natural assets requires adequate planning capability, that takes into account—besides the present condition of the object—the possible variables acting on the territory, such as its physical and administrative features. The quality of this planning depends on the possibility, as well
as on the habit, of keeping into account these variables. For example, while planning the restoration of an ancient building the rate of earthquake risk of the area has to determine important technical features of the planning itself. The unavailability of this information makes the intervention deficient and will probably increase the risk of collapsing in case of earthquake. If the designer and the authority responsible for expenditure planning could rationally take into account the seismic dangerousness of the territory, together with data on monuments’ history and actual condition, their decisions should become more rational. The same can be said as for problems arising from the worsening of environment (due to urban traffic or to the existence of big plants) or from the increasing of illegal building activities, or from the economical development.

Thanks to the new technologies based on Geographic Information System (GIS), it is possible to provide those responsible for technical and administrative daily work with tools that may support decision processes. Various level of sophistication are possible, from simple storage of data, to the application of statistical methods in data processing, in order to ascertain the potential dangerousness of the territory itself due to every kind of phenomena and their interrelation.

An example. In our Institute, an information system devoted to cultural heritage protection has been realized a few years ago. It is a nationwide GIS-based system, where a repertory of the most important monuments has been introduced on a topographical basis together with technical data on the most important decay factors, including earthquakes. When a strong event occurred on September 26, 1997, a cartography of the area hit together with the repertory of its most precious relics was been produced not more than 60 minutes after the earthquake and presented to the Minister. In this way the highest responsible person had at his disposal rough but correct information immediately after the event.

As for training of skills, it is obvious that caring about the education of managers, planners, and craftspeople constitutes one of the most fruitful ways of intervention. To be effective, training must merge education on methodological guidelines with reference to the real conditions of the patrimony where the trainee will act. Ancient building materials, traditional building techniques, cultural values deeply differs from place to place. The proper way of ensuring the effective transmission of technical know-how is to move the teachers instead of the trainees. Holding workshops directly on local monuments, fulfilling laboratories for analysis and intervention, together with the teaching of general principles are what we may call the on-job-training. A few examples.

- **Marmousa, Syria, medieval Moses Monastery**, between 1992-1994 a workshop to train eleven craftspeople on restoration of ancient mural painting was jointly been set up by Italian Ministry of Foreign Affair and Italian Ministry of Cultural Heritage.

- **Xian, China**, during the years 1995-1998 the planning and fulfillment of a laboratory for analysis and restoration and a three-year training course for Chinese craftspeople and scientists has been entrusted by the Italian Ministry for Foreign Affair to the institute for Africa and Far East in close relationship with our Institute.

- **Buenos Aires, Theater Colon**, built in concrete at the beginning of the 20th century by architect Tamborini. In 1998 a test area on the facade was restored by a mixed team including both teachers and conservation students from Argentina, in order to inhibit corrosion affecting the iron fittings and setting up a proper planning for a general conservation project on the entire 15,000 square feet of facade. The workshop has made be possible through an agreement between Italian Ministry of Cultural Heritage, Italian Embassy in Argentina, the Municipality of Buenos Aires and a private sponsorship.

Concurrent lectures were given by Anna Marie Petrioli-Tofani, Director, Museo degli Uffizi; and Angelo Guarino, Italian National Research Council.
Appendix A.

Remarks by Session Moderators

Faisal Al-Rfou'h
Minister of Culture, Jordan

SESSION II. THE ROLE OF CULTURE IN SUSTAINABLE DEVELOPMENT

Allow me to begin by conveying to you the sincere greetings of His Majesty, King Abdullah II, and his wishes toward the success of this conference. I also wish to express my thanks to the Italian Government and the World Bank for organizing this conference in cooperation with UNESCO, which through the last decades was adopting the policies for culture and development.

In Jordan, as its counterparts in the regions and developing countries, sustainable culture faces restraints. Restraints are represented in the scanty expenditures allocated to culture due to limitations in the financial potentials to the Jordanian Government as well as the far-reaching cultural revenue. The second restraint is the absence of the rich countries’ acknowledgment of the importance of supporting the cognizant mechanism of the poor nation’s civilization and culture.

Despite the fact that we are now living in an era which restricts cultural diversity and pluralism within the frame of human unity to cause the reprimands of the private sector from investing in the cultural industries is attributed to a sector that does not consider the relationship between culture and sustainable development, because investment in the other economic fields offers a quicker and more profitable revenue. To encourage the private sector to participate in this domain, we have to think of the possibility of giving certain exemptions internationally. There is a clear deficiency in supporting culture in our country, whether at the national or international level. This is perceived in a secure financial support in the form of loans or technical aids, equipment, and training courses encompassing all cultural specializations. Most international loans are stipulated to certain fields, the last of which is the culture field.

Finally, there is a controversial relation between peace and development. Regional and several wars lead to instability and to spending money on arms instead of spending on knowledge and building cultural institutions, as well as encouraging traditional industries. Until now, peace in an area does not thrive as it is incomplete and does not include all the countries in the region. We are looking forward to the day when all wars and crises money are transferred toward developing the human beings, his rights, and preserving his esteem. We in Jordan are with a great
hope about cultural tourism; we have diverse Jordanian populations and we own various antiquities, which make this country an open museum to all civilizations that pass through this area.

Your Excellencies, thank you to the organizers of this conference for giving me the opportunity to address the cultural distress that we, along with other developing countries, face.

**Ion Caramitru**

**Minister of Culture, Romania**

SESSION III. POLICIES FOR CULTURE IN SUSTAINABLE DEVELOPMENT

I think first of all I have to introduce myself to you. My name is Ion Caramitru. I am the Minister of Culture of Romania. Basically, I am an actor, film and theater actor, directing theater and opera. I have been very much involved in the Romanian resistance against the totalitarianism and communism of the regime in Romania. I have been involved in Romanian revolution and the street fights. I have been a member of the Executive Committee of National Salvation Front from the first couple of months and first Vice President of the Provisional Parliament of Romania responsible for culture and youth. I resigned from this position as a protest for neo-communist regime and have been in the opposition; after the elections of 1996, I was appointed as Minister of Culture.

What is for me important to say after the very promising introduction yesterday, is that the speech by Mr. Wolfensohn and the others, is a speech we tried for so many years to give as people without money. And to make the people pay attention of the heritage as the main and the most important contribution of everybody’s future. The future and the past is the tense of the verb in English which gives me and you the key to this new world we are trying to build now. So, if we did give this speech for so many years having no success or mainly small successes, we are now in front of an important speech given by the man having all the money of the world. We come to the culture field, to start now very positively to think, to dream and to take our dreams as reality.

The World Bank, UNESCO, Council of Europe, and each country involved in restoration are trying to give more importance to culture, performing arts, education, and research—a new body for culture. Maybe this new body will have more hands than a human being. This hand is not to take but to give. We took something from the World Bank and I can report to you that last year, 1998, Romania did get a loan from the World Bank in the culture field. It is a US$5 million plus the contribution of my country of US$1.3 million; the World Monuments Fund giving US$600,000; and American Express, US$100,000; for restora-
tion of two important 17th century palaces and for four Saxon villages having 45 churches from 13th century.

This is the first step into a new relation with the World Bank. Romania is a rich country in heritage. On our heritage list, we have about 20,000 monuments. We are restoring now 351 with the money coming from the Ministry of Culture; and we issued some important projects and programs within the Council of Europe and have the support of the European Union with the program for culture.

So, I think, the starting point was done last year in my country. The loan is small one. Maybe everybody's wish is to take all the money from the World Bank for the culture life. But, I think, we have to consider the next millennium is the millenium of taking care of our cultural goods, of our future, and of what we are looking for to classify the countries in the same level. The classification of countries is a terrible loss for the human identity and history. In the field of culture, all the countries are equals. Everybody has the same strong voice. We can't consider a country more important culturally than the other. The most important thing is that each country's specific contribution for this cultural identity on our continents of our world.

Umberto Agnelli
Chief Executive Officer and Vice Chairman, Fiat
Italy

SESSION V.A2. RESOURCES FOR CULTURE IN A MULTICULTURAL SOCIETY: PRIVATE SECTOR AND FOUNDATION EXPERIENCE

I wish to thank the World Bank and the Italian Government for organizing this international conference on our cultural heritage. For all our contemporary societies, cultural heritage is one of the most precious of all sources of spiritual, artistic and economic values. Secondly, our cultural heritage is our historical memory, the foundation of every people's roots and identity.

With an ancient history behind us, Europeans are often amazed by the love of younger nations for their cultural heritage. So, first and foremost, cultural heritage is a kind of human growth factor. It is also an economic growth factor. And that is very clearly emphasized by the title of this conference, "Culture Counts".

Just one example. Here we are in Florence, which has always been a world capital of culture and tourism. In fact right now the first figures are coming out on Florence's 1999 season. And they show a further 1 percent or so growth in tourism, which in this city is essentially cultural. And there has been similar growth in the other famous art cities of Tuscany. Growth of 1 percent may not seem that much. But when you consider the very high starting point it is genuinely impressive. Indeed, the experts fear that the city is reaching saturation point. Florence is an extreme example, but it is not unique. And to stay in Italy, much the same applies to Rome and Venice.

I have mentioned this example, not to raise the complex and delicate problem of cultural cities overwhelmed by tourists, but to remind us all that we are in for years of unprecedented expansion in cultural tourism. Which is a very good thing, to be supported as effectively as we can. Because interest in our heritage of history, culture and art, as well as our environmental heritage, increases our knowledge and improves the quality of our lives. And in economic terms it can also make a significant contribution to growth. Especially as regards the emerging nations.

Not long ago I was watching one of the most important cultural/scientific programs on Italian
television. The program was on the buried mon-uments of the Pharaohs in Sudan and the evolution of Egyptian civilization in the Mid/Upper Nile region. Archaeological treasures that many scholars believe to be almost as important (in their historical significance, beauty and number) as the entire Ancient Egyptian heritage known to us until now. We can only try to imagine what it might mean to Sudan to uncover those ancient treasures and present them properly to the world. It could lay the foundations for a massive growth in cultural tourism and bring significant economic relief. But it could also do quite a lot to douse the flames of ethnic and religious conflict in the region and help to bring peace. And as so often, though not always, happens at a time when the first green shoots of prosperity start to burgeon.

And how could we forget the artistic and cultural heritage of Tibet, absolutely one of the most significant in the world. In a fascinating land that is a Mecca for both scholars and travelers. With a long-suffering population of the most ancient traditions. Deliberately, I have mentioned two countries where the protection and promotion of the national heritage could have positive benefits in political terms, in day-to-day living and on human rights. Everyone here today, all of you more competent than myself, could certainly quote other examples from around the world, of places where the promotion of cultural heritage, economic growth and the resolution of ethnic or religious conflict could go hand in hand.

What contribution can the private sector around the world make to the protection and promotion of the world’s artistic, cultural and environmental heritage? The first thing that comes to mind is sponsorship. This is so well known that I hardly need to say much about it. That form of high profile promotion, which combines culture and advertising, is aimed at a select public. At the same time, promotions aim to consolidate the sponsor corporation’s relations with the local or national institutions in the country where the exhibition is put on or the works of art are restored. If well done, sponsorships are probably the most intelligent form of communication, external relations and public relations available to us today; because they increase awareness of the national heritage among ordinary people and in the media, among opinion leaders and within government. And in speaking of sponsorships, I am also, of course, referring to those ultra-sophisticated forms of marketing that aim to forge a link between a corporation and the marketing of its products on the one hand and some noble cause—whether environmental, artistic, or social—on the other.

We should be careful, though not to confuse sponsorship with patronage, as people often do. The two things are quite different. Sponsorship is essentially undertaken for market reasons. The restoration of a drawing by Leonardo da Vinci, however costly it might be, delivers an incomparably greater return than restoring a monastery in Armenia. By contrast, patronage is a free gift, pure donation. Certainly the patron gets a return in image terms, but the utilitarian aspect is much more indirect and secondary. For that reason, while we can expect a widespread expansion in sponsorships, we should not elude ourselves that they represent the solution to the problems facing our cultural assets. And that is also why we should be doing everything we can to patronage. Similarly we need to do everything we can to facilitate patronage. Particularly when it can achieve cultural projects of real significance. I’m thinking, for example of what Fiat did with Palazzo Grassi in Venice. The intelligent, far-sighted tycoon who was the typical patron of the past, still exists, but in shrinking numbers. There are still a good number of them in Asia. Far fewer in the West and especially in Europe.

In my opinion, the most important way to encourage individuals to contribute to the protection and exploitation (both economic and other) of their cultural heritage is tax relief. By that I mean that contributions to the protection of cultural assets by an individual, a business, or a bank should be untaxed. This is surely the high road to the substantial commitment of private funds to cultural heritage projects. Yet tax relief laws in this area vary enormously from country to country.

In the OECD countries the two extremes are represented by the USA and Italy. America has, I believe, the best established and most generous tax relief legislation in the world. Italy, on the other hand, has only very recently introduced any tax relief at all. And only on derisory amounts: $1,000 for individuals, $2,500 for corporations. The only exception, the only effective instrument we can offer for heritage protection
purposes is almost unique in the world: Italy's bank foundations that followed the privatization of our national banks. These foundations were instituted by law some years ago. They are rich foundations required by law to deploy their profits on non-profit activities, which include the protection of cultural assets.

In any event, I think we can safely say that to a greater or lesser extent, non-English-speaking Europe as a whole allows very little room for tax relief whether in favor of cultural assets or for any other socially useful purpose if it comes to that. Outside the OECD, situations vary enormously. Few countries copy the USA model, most allow a very little tax relief, some none at all.

If we don't want this conference to end in wishful thinking, pious platitude about the commitment of the private sector to the protection of the world's cultural, artistic and environmental assets, I think we have to urge the World Bank to get together with international cultural organizations and work out a policy that provides guidance to both the donors and the beneficiaries of World Bank funds for the introduction of substantial tax relief on private sector financing of projects designed to protect cultural assets. That, I feel, is one of the greatest challenges and greatest opportunities the World Bank is offered today.

And I would ask the same of the European Union. It is high time that the EU worked out an acceptable form of fiscal harmonization, something that has become increasingly essential since the creation of the single market and the single currency. We can't put fiscal harmonization off much longer if we wish to avoid damaging fluctuations in the value of the Euro. And in the framework of EU fiscal harmonization, room has to be left for significant tax relief on the private sector funding of heritage projects; first in all 15 member states, later in those countries that will soon be joining the European Union.

The business community can offer extra support if the World Bank promotes a globalized policy of tax relief for cultural purposes. The major multinationals in particular can offer technical support. Both directly and through the foundations many of them have established. The experience of the not-too-distant past teaches us that massive allocations of funds by international organizations have produced relatively modest results. That's because their monitoring and technical support systems were too weak. In other words, because the organization of aid was weak. A board of experts from the world's major corporations to support the World Bank in a policy of intervention in favor of the world's cultural heritage is, I believe, perfectly possible.

And I think corporations would like that since it would allow them to get involved in projects of general public interest in parts of the world (say Africa) where they do little if any business. I'm not really thinking of a Board made up of CEOs. Such boards as we have often seen in the past, tend to end up meeting once a year for more or less ceremonial purposes. What I have in mind is a body of experts and managers who perform a real management and support function.

Think how much experts from engineering companies would have to offer. Then, upstream of actual projects, think of the contribution in research and in the prioritizing of heritage protection projects around the world that might come from the foundations, institutes and think tanks promoted and funded by corporations. Downstream, local businessmen could help with economic assessments and cost/benefit analyses. I'm thinking about the importance of assessing the viability of investments and quantifying expenditure, calculating flows of tourists, jobs created, public sector funds generated, impacts on the local economy, etc.

Naturally in selecting beneficiary nations, the World Bank is influenced by political priorities in the wider sense. Authoritative external advisers with corporate training and experience could however, make a valuable contribution. Above all they can direct the process towards a system-based approach, which avoids the risk of projects being too disconnected.

As we all know, all over the industrialized world, today one of the greatest concerns in the field of cultural assets is the need to avoid interventions that bear no relation to each other. In recent years the focus has been on creating systems, approaches, itineraries: the Etruscan system, the European Baroque itinerary, the museum networks.

They are also trying to focus operations on types of cultural assets or on relatively homogeneous geographical areas. Operations along such lines would demand some kind of partnership at national or local level. I remind you of the convention signed between Mecenate 90 and Confindustria and, in Turin, the Consulta operation to
enhance cultural and artistic assets which has brought 29 companies together for the purpose of improving the cultural heritage situation in Piedmont by a series of projects financed by the Consortium’s members. Consulta has already completed ten such projects investing over ten billion lire in the process.

To quote just one example, Italy is spearheading an international cultural cooperation campaign which is trying to launch a package of archaeological projects in North Africa, an area fairly similar in that respect to our own. The same approach should also be adopted for operations promoted by the major international organizations especially in countries where the protection and enhancement of cultural assets is still at an embryonic stage.

I began by congratulating the World Bank and the Italian government on this conference. I shall end by pointing out how very appropriate it was to choose Tuscany and specifically Florence as its venue. But I’m not referring to what might first spring to mind: namely the exceptional wealth of the artistic and environmental heritage possessed by this city and this region. This is a region whose cultural heritage is vitally important for its economic future and is therefore getting priority attention, but in a way that is not based on high cost mega-projects like Pompeii or Le Grand Louvre, but rather on a multiplicity of local projects costing a few million dollars each, to which the municipal and provincial authorities, the local banks and foundations, and local individuals as well, all contribute.

Victor Sa’Machado
President, Gulbenkian Foundation
Portugal

SESSION VI.B1. THE CONSTRAINTS ON RESOURCES FOR CULTURE IN DEVELOPING COUNTRIES AND ECONOMIES IN TRANSITION

I am happy to chair this session entitled “The Constraints on Resources for Culture in Developing Countries and Economies in Transition”, which tackles some of the most important problems faced by the development of culture in developing countries. The main subject of this conference tries to explore ways to harmonize development with culture and shed a new light on the importance of culture in itself as a necessary concern and most specifically in the context of development.

When we put in perspective the need to equate development with culture, we are talking of culture in a more dynamic, less material sense, as the spirit of the community and a pool of values and social mores. That need is operational in a double sense: Development is not a flower easy to transplant, as the failure of many theoretically sound plans for structural stabilization has proved. In other words, no one has ever convincingly demonstrated that development models tried in certain regions can be exported to other environments with the same chance of success. Actually what has been more or less proved is exactly the opposite.

Ultimately, development, that very complex and intricate undertaking, depends on a greater number of factors than those we can extract from concrete cases taken separately. When the same models are tried under different skies, we begin to see that the real responsibility for their emergence or success lies, to a great extent, in certain local idiosyncrasies or specific factors, that have the power of motivating people and of creating a network of interpersonal relationships that will determine the success of a global, collective task.

This is where culture, in the sense mentioned above, is crucial. As some of the most recent works have asserted, development must be an integral part of the cultural fabric and, through this powerful sense of identification, be seen, understood and experienced as something not alien, as something that can be apprehended and practiced—in short, as something that is not foreign. Otherwise it might not take place.
However, as far as we are taught by history, development presupposes, in the “body” who undertakes it, a set of characteristics, qualities, and values which it would be absurd to underestimate. That is why we cannot rightly maintain that development is possible without an enterprising spirit, without a rational approach to problem-solving, without innovation, and without discipline and hard work. If the culture of a place does not provide these conditions, the issue that the necessary respect for that culture raises is clearly, in my opinion, the need to come into line with those characteristics, qualities and values of the culture of the place. That must also be read as allowing that culture to come into line with the needs and requirements of development.

I said before that the concept of culture that really matters here, in the sense of being operational, is one of a live culture. This consideration is important because, if accepted, it may open avenues for the harmonization between culture and development.
Towards New Strategies for Culture in Sustainable Development

I. Introduction

1. UNESCO has long been a leading advocate of the need to broaden the development paradigm in ways that embrace the fullness of the human and cultural dimensions of development. As the custodians of a considerable proportion of the cultural heritage of humanity, the people and Government of Italy have for their part adopted and applied policies which demonstrate a profound sympathy with this broader understanding.

2. As staunch advocates of the cultural dimension of development, both UNESCO and the Government of Italy therefore applaud the growing commitment of the World Bank and other international and regional financial institutions to recognizing culture as an essential ingredient of sustainable development.1 The Florence Conference is testimony to the enduring commitment of the World Bank in particular, as this gathering builds upon the momentum created by the conference entitled “Culture in Sustainable Development—Investing in Cultural and Natural Endowments” which the Bank organized in Washington, DC in September 1998 with the cooperation of UNESCO.

3. This commitment singularly strengthens the worldwide quest, spearheaded by UNESCO and strongly supported by the Government of Italy, to mobilize increased financing and support for culture as an integral component of development policy. As national, regional and international financial institutions begin to engage with this challenge, their efforts provide added legitimacy and financial support to the work which governments, non-governmental organizations, foundations, institutions, scholars, activists and public figures around the world have pursued for many decades.

4. A historic turning point in this quest was the World Conference on Cultural Policies (MONDIACULT) held in Mexico City in 1982, laying down the broad definition of culture that has guided the international community in its endeavours ever since. The Conference also led to the United Nations World Decade for Cultural Development (1988–1997), a worldwide programme of reflection and action launched by UNESCO which considerably improved understanding of the interaction between cultural factors and the development process and stimulated many concrete projects across the world. It was during the Decade too that UNDP adopted the concept of ‘human development’, a process of enlarging people’s choices that measures development in a broad array of capacities, ranging from political, economic and social
freedom to individual opportunities to be healthy, educated, productive and creative and to enjoy self-respect and human rights. These broader frameworks set the stage for the inclusion of culture as a central dimension of development too.

5. Recent years have also seen the first signs of broader thinking on the part of regional and international financial institutions. The latter have begun to recognize the legitimacy of culture in development, leading them to consult local communities and seek their participation rather than face the fiasco of abstract, top-down development models. For example, as early as the 1970s the Inter-American Development Bank (IDB) began offering loans for projects based on an awareness of the importance of culture carried out in a range of domains, ranging from primary rural education to cultural tourism.

6. The World Bank too has shown readiness to contribute to cultural development by supporting projects that treat culture as an economic resource. But it has also supported projects that highlight the educational benefits of cultural projects and programmes, that promote the participation of local communities, especially in connection with social cohesion and social inclusion, and that seek to go beyond the ‘do no harm’ posture and thereby indicate a growing awareness of the intrinsic value of culture over and above its role as an economic asset.

7. More recently, through the work of the World Commission on Culture and Development, the Intergovernmental Conference on Cultural Policies for Development (Stockholm, March–April 1998), and the publication of a biennial World Culture Report, UNESCO has demonstrated even more forcefully that sustainable development and the flourishing of culture are interdependent. Not only are investments in cultural resources indispensable, but sustainable development also requires the strength and vitality of cultures themselves.

8. Indeed, the Action Plan adopted by the Stockholm Conference urged States to ‘design and establish cultural policies or review existing ones in such a way that they become one of the key components of endogenous and sustainable development.’ It also requested them to ‘promote activities designed to raise the awareness of the population and decision-making bodies of the importance of taking into account cultural factors in the process of sustainable development.’ The Action Plan called on UNESCO to ‘pursue the goal of obtaining the integration of a cultural perspective into the next International Development Strategy and invite the Specialized Agencies to evaluate their development practices and policies in this perspective.

9. Many donor countries contribute to the financing of cultural heritage preservation in the context of their development cooperation programmes. In view of the needs identified at the Stockholm Conference, however, it is time that such contributions were extended and renewed on the basis of a broader vision not just of heritage itself but also of the central importance to development of living cultures and creativity, as well as of the raison d’être for their preservation and regeneration for the benefit of all.

10. Italy for its part is engaged in a wide range of activities to support countries in their efforts to preserve, study and promote their culture and cultural heritage, and to integrate these elements in their development policies. Italian institutions and Italian development assistance programmes are active in many regions, including the Middle and Far East, the Mediterranean and the Balkan Region, Eastern Europe and the former Soviet Union. Italy’s assistance draws on the unique expertise of national and local institutions, civil society and private sector and non-governmental organizations.

11. Recognizing the cultural dimension of development requires us to regard human beings as the principal subject and beneficiary of development which must ensure the broadening of human and social opportunities as well as a harmonious and complementary relationship between nature and culture. Cultural heritage and cultural expression are at the heart of many essential industries, which today are powerful engines of economic growth, generating considerable income and employment, particularly in the emerging knowledge economy. The economic potential of these industries is fuelled by growing demand for cultural goods and services in an expanding international market place.

12. Cultures and cultural activities also enrich us in many ways that cannot be measured quantitatively. They have become ever more powerful vectors of identity and communication. Creative expression in all its forms helps to shape society, develop our understanding of ourselves and of others, and give us a sense of pride in who we
are. The values of culture also provide the building blocks of identity and belonging, mould attitudes to work, saving and consumption, motivate political behaviour and inspire collective action. Thus culture affects development action and conditions its viability. It can provide dynamic resources for successful development or, if ignored, provoke development failure.

13. These understandings of culture and development are fully shared by UNESCO and the Government of Italy. But too few people of influence are ready to recognize that investment in cultural resources is of crucial importance. While culture is on the ascendant in public awareness everywhere, it remains a low priority in the development policies of most countries and this is reflected above all in the level of resources accorded to it. In these times of financial stringency, particularly in developing countries, government expenditure on culture is unlikely to increase unless there is a radical change in attitudes in this respect, and which are in turn translated into political will.

14. While countless declarations and recommendations have been made at both the national and the international levels, the gap between this discourse and actual practice remains very wide. Inadequate financing, insufficient resources and the only partial recognition of the economic and social importance of culture bode poorly for the role that cultural assets must play in any viable development policy. More and more, decisions and action affecting cultural development are being taken outside the specifically cultural sector, for example in the sectors of social policy, education, science and technology, communication or urban development, the market and international trade.

15. One major cause of this state of affairs is the conceptual divide between the people in the cultural field—creators, custodians, researchers, educators and transmitters of the cultural heritage and cultural life—and those responsible for economic and financial policy-making. Reducing the gap between the two camps is a matter of urgency. Those in the economic domain are reluctant to admit that the estimation of culture involves a wide range of values, of which economic values are but a single dimension. Those in the cultural camp do not sufficiently appreciate the role that economic factors play in the enhancement of culture and cultural heritage.

16. Yet another problem is the inadequacy of public-private partnerships for investment in cultural resources; participation by local communities too is limited as is the involvement of civil society in general.

17. Many ministries responsible for cultural affairs devote their attention mainly to the cultural heritage and to the subsidized arts sector, for instance theatre, music and so forth, without addressing cultural production and consumption as a major economic sector in its own right. Hence too few governments take a proactive stance with regard to the cultural industries. The interconnections between subsidized, commercial and voluntary cultural activities are still not sufficiently recognized. This is one of the reasons why few governments have gathered statistics on such measurable cultural phenomena as the performance of the creative industries, their rates of growth and the impact of initiatives taken to encourage them. Also lacking are the basic frameworks needed to develop indicators of cultural well-being in the broadest sense. In developing countries few government organizations and budget appropriations related to culture are justified on the basis of the collective benefits that cultural projects provide. The externalities attached to cultural projects and programmes are rarely recognized as being conducive to development, whereas they are in fact economically beneficial and enhance domestic culture itself.

18. Another critical gap is that governments rarely apply a cultural perspective to the resolution of key development issues such as poverty alleviation or social cohesion. In point of fact, the social benefits of activities in cultural heritage and cultural expression may well be greater in developing countries than in industrialized societies. Externalities can be stronger because private consumption and participation are constrained by lack of education, limited per capita income or barriers created by traditional beliefs. Conversely, the market area for private ‘users’ of culture is smaller in developing countries.

19. While efforts are already under way to reduce these gaps, the Florence Conference provides a major opportunity to advance significantly along this path and build new connections for this purpose. In fact, it is only if a much broader range of actors and institutions begin to work together, in particular by defining intellectual common
II. Principles

20. Sustainable development and the flourishing of culture—the ever-changing flow of human meanings, memories and bonds—should be seen as interdependent.

21. The impact of culture on the form and content of development is pervasive and profound. So too is its converse: the many impacts of development on culture. These impacts are both positive and negative; for example, technology opens up new opportunities for contemporary expression yet places much of the tangible and intangible heritage under threat. It behoves us to better understand and channel both sets of processes.

22. Cultural policies must be defined and implemented as part of coherent strategies which are coordinated with the policies of other sectors that have significant implications for cultural life, since it is essential that the relationship between culture and development is taken into account and that decision-makers are able to promote positive interaction between the different sectors. Only on this condition, and with this in mind, will it be possible, moreover, to find a satisfactory and lasting solution to the problem of cultural funding.

23. It is not simply a matter of how to consider and use cultural assets for developmental ends but to go beyond such an instrumental vision and to award culture a constructive, constitutive and creative role. We must therefore envision development in terms that encompass cultural growth and community well-being. Thus purely economic opportunities must be reconciled with meanings and values, including non-use values. Once this is recognized, then poverty of spirit, of belief and of expression are bound to be perceived as debilitating as poverty of goods. By the same token, the safeguard of cultural diversity is as important as the achievement of economic self-sufficiency.

24. For development to be sustainable, the dynamics of cultural interaction must be taken into account. This interaction serves to highlight the proximity and hence the solidarity of peoples that have grown, from time immemorial, out of the movement of people, the close links that have been forged over time through material and economic exchanges worldwide, and the spread of ideas, values, skills and spiritual traditions. Intercultural dialogue and its interreligious dimension—which is illustrative of the cultural pluralism of every society and is a strong bonding factor between communities—is therefore a crucial dimension of sustainable development. The fundamental notions of heritage, identity and creation—in the sense that these are dynamic processes—can thus be seen to be plural in nature and hence reinforce the different types of solidarity which are essential for peace and development.

25. Culture should be regarded as an asset rather than a burden, particularly when the returns on investments in culture are measured in social, educational and cultural terms—and not just financial ones—and the importance of those returns in the long term, as opposed to their immediate benefit, is adequately recognized. Investing in all forms of culture, past and present, means constituting a major form of social and human capital. As cultural assets can be engines of economic regeneration in both rural and urban settings, their sustainable economic use should be recognized as an integral component of all preservationist efforts. Governments as much as the private sector need to adopt this inclusive vision of culture and acknowledge that investing in culture can bring economic as well as social returns, providing a learning and enhancing creative experience for individuals, institutions, businesses and communities.

26. Government at whatever level, the private sector and civil society can and must all be allies in cultural and social development. Governments accordingly should take the initiative in fostering new forms of infrastructure and in-kind subsidies and in discovering complementarities between public and private financing, between subsidies and investment, and between cultural consumption and cultural production.

27. Safeguarding the tangible and intangible cultural heritage for future generations can only proceed satisfactorily if it is consistent with the economic, social and cultural development of today’s generations. Consequently, the ability of today’s generations to transmit the cultural heritage to future ones will depend on the proper integration of cultural heritage policies into the process of global development. This key goal requires both funding and a cadre of people with the skills
needed to manage cultural assets and plan interventions to implement these plans. In turn, investment in training for this purpose can itself nurture the skills vitally needed for the development process and for the flourishing of culture, apart from the fact that bettering the condition of monuments, archaeological sites and landscapes is a contribution to human and community development.

28. The need to make local populations more aware of their tangible and intangible heritage now goes without saying. And yet awareness-raising has, until now, often been approached almost exclusively from the viewpoint of cultural tourism and the legitimate but immediate economic benefits that any group of people wishes to derive from it. But it must also be seen from quite a different angle. Local populations need to be involved in understanding their heritage in order to feel motivated to safeguard it, becoming themselves the best custodians of this heritage. Knowledge of their heritage thus becomes a form of added value, which will be principally in their hands. This added value of knowledge and attachment to their heritage is in itself, in the long term, a cultural asset.

29. The most delicate phase of heritage projects, if they are to be integrated in the process of global development, is the formulation of strategies consistent with the aspirations but also the cultural realities of each country. The definition of such a framework is a prerequisite for the implementation of projects, since it clarifies the values attached to this heritage and prevents costly errors of judgement. It should be taken into account in fund-raising and in determining the overall budget of projects. In recent years tourism, in particular, has become a phenomenon of unprecedented economic, social and cultural proportions and constitutes a challenge—with the attendant risks and opportunities—for the cultural heritage and for the sustainable development of communities based on the valorization of this heritage.

30. At the dawn of the twenty-first century societies need to take account of the new challenge of globalization, which is bringing unprecedented turmoil in its wake as a result of the technological revolutions, social and political upheaval and ever greater migratory flows which are crystallizing in uncontrolled urbanization. Cultural interaction, social resourcefulness and peace founded on an ethical basis are some of the most urgent requirements. The priority for such peace, in other words for the peaceful management of change, is to devise ways of living together in our creative diversity.

III. Priorities. Suggested mechanisms and programmes

31. The following priorities concerning policy making and implementation are considered relevant to all or some of the following: governments, non-governmental organizations, the private sector, foundations, the ‘third’ sector and concerned citizens. There will necessarily be different levels and degrees of priority for each set of actors. Hence no single list of priorities can be prescribed, save to assert that the priority of priorities is to build a common agenda. Many different mechanisms, programmes and projects could contribute to attaining the objectives set out by the Florence Conference.

III.1 Priorities at overall policy level

32. As a precondition for all efforts with regard to culture in sustainable development, it is essential to renew and reinforce national commitments to applying UNESCO's Conventions and Recommendations, in particular those concerning the conservation of the moveable and immovable heritage, the safeguarding of traditional and popular culture, and the status of the artist. Key guidelines are also contained in normative texts such as the Venice Charter. Taken together, such instruments amply provide the legal framework necessary for the effective promotion of culture in sustainable development. It is therefore a matter of urgency for governments to formulate the required legal frameworks and follow them up with appropriate regulations and administrative arrangements, as indeed they are explicitly called upon to do in many of these internationally accepted texts.

33. By the same token, public expenditure on culture should be better coordinated between different levels and departments of government, and between government and other sectors. Governments and municipalities should earmark a specific percentage of their budget to cultural development and, starting with an initial target figure, strive to gradually increase it.

34. All agencies and financial institutions in the development field should introduce a cultural perspective into their strategies and methods, in
order that cultural sustainability may be examined alongside economic viability. As a corollary, cultural impact assessment—based on experience of environmental and social assessment—should become part and parcel of the identification, design, implementation and evaluation of all development projects.

35. Governments should develop ways of stimulating business sponsorship of culture and the arts by adopting a more open and proactive stance vis-à-vis the private sector, and elaborating more enabling and incentive-oriented legislation. They should also promote partnerships with foundations and other bodies in the ‘third sector’. Individual giving and volunteering, which is a major source of funding for cultural activities in some countries, could also be promoted in other regions.

36. As a corollary, there is an urgent need for regulations that foster an open environment for creative artists and creative enterprises in the cultural sector, taxation systems that provide investment incentives, loan schemes for activities that promise commercial returns and measures that can assist the creative industries to achieve their economic potential by removing as many obstacles to their growth as possible.

37. Training is a key priority in the culture sector which needs curators, conservators, animators and managers who can define their goals more strategically, market their goods and services more effectively and make their work more accountable through performance measurement and evaluation. On-the-job training is particularly appropriate here, as experience shows that this is most effective when trainees work on their own heritage and culture.

38. It would also be desirable to develop cultural training for decision-makers in the non-cultural sectors if we want to see the importance of culture and the cultural dimension of their action not only expressed in words but translated in a very practical sense into decisions and deeds. This could well take the form of encouragement for greater participation in regional infrastructure and planning projects on the part of the authorities and specialists responsible for safeguarding the cultural heritage.

Mechanisms and programmes

39. At the international level, as regards the financing of projects through loans, soft loans and grants, it is essential to develop more productive relationships between UNESCO, as a world-wide laboratory and agency of international cultural cooperation, on the one hand, and regional and international financial institutions on the other. There is a need too, at national as well as international levels, for permanent funding mechanisms that make it possible to invest strategically in culture rather than have to rely on piecemeal and ad hoc decisions and initiatives.

Development of cultural impact assessment guidelines

40. UNESCO, together with UNDP, national, regional and international financial institutions and other concerned agencies, could develop guidelines for the integration of cultural impact assessment tools and procedures into all development programmes and projects. This might be done by an inter-agency task force that would survey current practices and develop whatever new tools were required.

III.2 Priorities with regard to the advancement of knowledge

41. The practical integration of culture in sustainable development requires reliable qualitative and quantitative statistical data that can provide a better understanding of development and investment trends in the cultural sector, support to cultural heritage and creativity, access to and participation in culture, and the consumption of cultural goods and services. Such data could be generated through the exchange of information between governments, cultural industries and civil society. Meaningful new indices would contribute to the setting of targets; they should be identified and applied in contexts involving the broadest possible range of stakeholders. Hence the importance of working towards an international research agenda for the purpose, as requested in the Stockholm Action Plan. Knowledge of the economic contributions of the cultural industries in particular is limited and fragmentary, thereby underlining the importance of collecting and analysing comparative data on the subject.

42. It is equally important to monitor the development of new alliances between government and other sectors for the financing and support
of cultural projects so as to build up a corpus of best practice in this area.

**Mechanisms and programmes**

**International framework for cultural statistics**

43. The international research agenda envisaged in the Stockholm Action Plan, for which UNESCO has been asked to develop guidelines, requires support both for its elaboration and for its realization at national and international levels. Within such an agenda, a comprehensive research programme, led by UNESCO in cooperation with national, regional and international financial institutions as well as UNDP, could be launched to create hard data on the linkages between culture and development with a view to devising an internationally agreed framework, in particular for cultural indicators of development, based on a broader interpretation of culture than the one currently in use.

**International financing of culture best practice network**

44. As part of its newly launched cultural policies for development programme, UNESCO could envisage, in cooperation with regional and international financial institutions and national development cooperation agencies, the constitution of a record of best practice regarding the financing of cultural projects at all levels, from grassroots to national, that deal innovatively with financing limits and constraints and are based on new coalitions of support and earned income.

**III.3 Priorities with regard to cultural life and the cultural industries**

45. Measures that foster the ‘creative economy’ are necessary in order to allow all citizens to participate fully in the global culture while ensuring that their own unique voices are not drowned out in the process. When the market is the sole arbiter, quality and creative experimentation may be compromised. It is urgent, therefore, to offer creators, artists and entrepreneurs the kinds of incentives that will stimulate production, distribution and consumption in domestic cultural industries. Cultural entrepreneurs everywhere should be given opportunities to generate products and services of their own choice which can compete in domestic, regional and global markets. Schemes should be envisaged to ensure that new creative undertakings can access venture capital and that the venture capital markets understand the creative industries. Synergies are also needed between the subsidized and the commercial creative sectors in order to promote creative industry exports.

46. For this reason, culture should be considered as a distinct domain in all multilateral negotiations on international trade and investment, and governments should establish for this purpose interministerial mechanisms to define and negotiate national positions with regard to trade in cultural goods and services and for the protection of intellectual property rights. They should also support the work recently initiated by UNESCO which, in response to professional opinion from around the world, is currently devising measures designed to promote international debate on the appropriate strategies required in international negotiations, on possible contents and procedures of governmental action, as well on the situation of specific cultural industries in different regions.

47. There is a specific need also to set up mechanisms that can contribute to the goal of poverty alleviation by helping traditional artists and craftspeople, particularly the most destitute, to manage their activities and protect their rights in relation to the market, both local and world-wide.

**Mechanisms and programmes**

**Fund for the production and distribution of films made by film-makers in developing countries**

48. Dedicated soft-loans lines could be created for this purpose by regional and international financial institutions, linked as the case may be with the obligation to participate in regional cross-guarantee mechanisms under their aegis. UNESCO could in due course ensure project assessment from the cultural and professional viewpoints.

**Co-operative distribution mechanisms between developing countries to promote the international distribution of particular categories of cultural goods**

49. A soft-loans credit line could be opened for this purpose by regional and international financial institutions, particularly in regard to books and crafts. The aim should be to reach intraregional and international markets for books and
Appendix B.

Crafts from developing countries by encouraging private entrepreneurial initiative. UNESCO could identify needs and potential private partners at the regional or sub-regional level, carry out feasibility studies and assess submissions received by various financial institutions.

Establishment of statistics on the import/export of different categories of cultural goods

50. A programme could be launched to assemble reliable worldwide statistics on quantities, categories and turnover of cultural goods for use in improving marketing studies and strategies. In developing countries, this task could be combined with training and data collection at the national level. The UNESCO Institute for Statistics, together with other units, could take on this task in cooperation with the International Trade Centre.

III.4 Priorities with regard to intercultural dialogue

51. The importance of dialogue between cultures and civilizations in promoting peace and sustainable development justifies the top priority to be given to the mobilization of resources for the implementation of programmes designed to foster awareness of the processes of interaction and mutual enrichment generated by the long memory of relations between peoples and cultures. It is this dynamic of pluralism which gives structure to the different forms of social and cultural organization. This multidisciplinary approach requires that intercultural projects should be designed by teams comprising historians, geographers, teachers, economists, sociologists and science popularizers. The same approach, which promotes mutual knowledge of people, their values and their creations, and their tangible and intangible cultural heritage, should be adopted for the design and implementation of cultural tourism projects.

Mechanisms and programmes

Cultural itineraries

52. In cooperation with the World Tourism Organization (WTO), UNESCO could develop programmes to set up cultural itineraries, particularly in regions or sub-regions which have been the crossroads or melting-pot of different cultures and civilizations. This would entail the establishment—in conjunction with planning departments—of projects at subregional, regional and/or interregional level in most cases. These projects would involve the identification, restoration and promotion of the physical and intangible heritage; places of remembrance; the stimulation of both traditional and modern cultural and artistic forms of expression, including crafts; and the identification of itineraries combining nature and culture. The implementation of these kinds of projects to promote subregional and/or regional integration requires the introduction of specific funding mechanisms.

III.5 Priorities with regard to cultural heritage, tangible and intangible

53. The highest priority needs to be given to the implementation of the principles enshrined in the 1972 Convention concerning the Protection of the World Cultural and Natural Heritage, the 1970 Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property, the 1954 Convention for the Protection of Cultural Property in the Event of Armed Conflict, and other international instruments adopted under the auspices of UNESCO.

54. The Government of Italy believes that the greatest challenge in this domain is the preservation of the monumental built heritage, archaeological sites and cultural landscapes. These types of artefacts and natural assets should be recognized as the most meaningful signs of previous civilizations and culture.

55. Governments should give priority to identifying and promoting ways in which the conservation and adaptive reuse of historical monuments and sites as well as intangible cultural assets such as traditional performing arts, handicraft knowledge and other forms of traditional knowledge can contribute to regional and local economic regeneration. This should be made an integral component of all regional and urban development strategies.

56. Local communities should be directly associated with the conception and management of urban rehabilitation projects designed to reintegrate historic sites into the daily life of towns and cities. As a corollary, there is a need to ensure that tourism revenues are used to conserve heritage resources equitably and to strengthen community development and local capacities.
57. It is therefore imperative to develop projects to teach populations about their own heritage. With this in mind, it is recommended that all the possibilities afforded by the new communication technologies (databases, multimedia, resource networks) be used and developed. Particular attention should also be paid to the lesser-known aspects of heritage, such as the collections of small museums which stand as living testimony to local and regional cultures, these being the foundations on which the concepts of pluralism and cultural identity are based. Databanks need to be set up, and high-quality information material on the heritage produced, before any transfer of knowledge can take place. This must be done in a way which guarantees both the rights of the countries owning the heritage and control by communities of their ‘memory’. These data banks may serve as a source of income.

58. Museums have always played a key role in building cultural identity and awareness. In this perspective, it is important for museums to stress ways of contributing to contemporary creativity, in addition to being ‘treasure houses’ of the creativity of the past. In this connection, the active role of museums in providing knowledge about and enhancing the status of these cultural resources within their communities must be reaffirmed and reinforced. Through cultural policies, museums should be able to play a useful role in the quest for new cultural relations in the context of globalization and the safeguarding of cultural diversity. In particular, their contribution could consist in providing scientific material and the ethical and legal foundations required if the cultural heritage is to be used for the purposes of social development. Museums should therefore pay more attention to issues such as the promotion of cultural pluralism, reflecting the multiple cultural identities of the communities they represent. They should respect acquisition policies that are in accordance with guidelines issued by UNESCO and other international organizations. Museums in industrially developed countries should also cooperate with museums in developing countries with a view to the return of cultural property to its countries of origin (through long-term loans inter alia) and with a view to developing twinning arrangements for restoration, training of personnel, and so forth.

59. With regard to cities and historic centres, it is necessary to encourage governments—and local governments in particular—to adopt a more advantageous fiscal policy for private owners and occupants of buildings which are valuable heritage sites, as well as for private investors (foundations, patrons, associations) who wish to become involved in a rehabilitation project.

60. It is also essential that adequate means be made available to ensure that all regional/urban planning projects take proper account of the existence of cultural heritage, so that a proper balance is struck between, for instance, archaeological and historical remains and landscapes on the one hand, and new buildings and facilities on the other.

61. As part of the overall strategy that is necessary for the conservation and restoration of the architectural heritage, an international programme of maintenance, mapping, risk analysis, conservation and monitoring is urgently needed.

62. As regards training in this domain, one of the main goals to be achieved is the propagation of general methodological principles of planning and implementing the restoration of built monuments, the organization of archaeological sites and the preservation of cultural landscapes in accordance with the guidelines contained in such internationally accepted texts as the 1964 Venice Charter.

63. Both UNESCO and the Government of Italy stress the importance of sustaining and developing the practice of periodical maintenance of built assets, in order to prevent and/or mitigate decay of materials and damage of structures. To reach this pivotal goal, ad hoc technical guidelines should be prepared on the basis of the specific characteristics of each local heritage.

64. Both UNESCO and the Government of Italy also stress the importance of developing conservation and restoration activities according to guidelines which, on the one hand, guarantee respect for historical values and, on the other, ensure safety and durability. The importance of identifying and implementing pilot projects should be underlined in this regard.

65. Both UNESCO and the Government of Italy stress the importance of ensuring the safety of archaeological finds at both planning and implementation stages of all urban and regional planning projects. To this end, unknown archaeological property should be systematically researched and documented as a necessary preliminary step while such interventions are still at the planning stage.
66. Both UNESCO and the Government of Italy stress the importance of disseminating knowledge of the most advanced restoration materials, techniques and technologies. It is vital, however, to ascertain their compatibility (both physical and cultural) with historical buildings and their environment. The advisability—both economic and technical—of using such new methods must also be evaluated as compared with traditional measures.

Mechanisms and programmes

Reinforcement of the World Heritage Fund and of the activities of the World Heritage Centre

67. Such an undertaking would involve the establishment of a set of mechanisms to bolster the financial and human resources available to UNESCO's World Heritage Centre. Only in this way can the representativity of the World Heritage List be increased through the inclusion of sites in countries whose cultural heritage is insufficiently or not at all represented. The mechanisms to be put in place would necessarily be closely linked to the augmented capacity-building effort cited in paragraph 72 below and could include the increase of voluntary contributions by States Parties to the World Heritage Fund, the provision of expert services for technical cooperation activities, and national or international income-generating initiatives based on the World Heritage List.

International audiovisual database of intangible cultural heritage

68. UNESCO and other organizations could establish an international audiovisual database for the intangible cultural heritage in order to contribute to the identification and preservation of intangible cultural heritage assets. Elements contained in this database could be used for income-generating activities such as the production of CDs, video and television programmes. In the case of traditional handicrafts, images contained in the database could provide ideas for contemporary craft production; mechanisms would accordingly be needed to ensure that the local community whose cultural assets are so documented are the beneficiaries of the income earned.

Establishment of an international programme for adaptive reuse of traditional knowledge

69. Traditional pharmacopoeia, medicine and healing techniques as well as know-how in construction techniques or handicraft production all have considerable potential in a contemporary context. However, many countries that are rich in traditional cultural assets are not aware of what traditional knowledge they should turn to account, nor are they equipped to identify it and exploit its potential. It would be appropriate, therefore, to envisage a programme, to be established by UNESCO in cooperation with other competent organizations, to advise governments and the communities concerned on the identification and selection of traditional knowledge for contemporary reuse and possible commercialization.

Promotion of cultural tourism

70. Sustainable cultural tourism—in other words tourism which ensures the safeguarding of the cultural heritage in close conjunction with local populations—could be promoted by drawing up and implementing appropriate strategies and measures in partnership with cultural tourism actors, whether public, private or international (UNDP, World Bank, World Tourism Organization, etc.). These could include the following: a research programme based on case-studies, including the creation of databases on 'best practices' and measures which have yielded positive results; the creation of a mechanism for dialogue on sustainable tourism strategies between culture and tourism professionals, local and national authorities and the competent intergovernmental organizations; and the search for funding mechanisms which take into account the number of visitors to the tourist sites and the cost of maintenance and upkeep of the sites.

International programme to expand capacity-building for the cultural heritage

71. Training needs for the conservation and reuse of the cultural heritage are so extensive and diverse that the combined resources of the various institutions providing or supporting training are far from sufficient. To remedy this situation, a programme should be established to rationalize the use of existing resources and, in a spirit of cooperation between governmental and private funding sources, to explore new methods and mechanisms for the funding of training activities.
International mapping, risk analysis and monitoring of the architectural heritage

72. The Government of Italy proposes to launch and support an international programme of mapping, risk analysis and monitoring. The programme initially will map and classify architectural heritage around the world on the basis of its state of conservation or decay, identifying predictable risks that could be reduced by appropriate maintenance and preventive measures. The next stage will identify priorities, using a broadly conceived cost-benefit analysis that encompasses historical value, the state of conservation or decay of the cultural property, and the specific conditions of its environment. Training specialists to evaluate damage and risk should be made an integral part of the process (cf. the previous proposal on capacity-building). A final step will be the preparation of guidelines to establish common criteria for conservation work throughout the world, taking account of local and traditional techniques. While these activities should be carried out by local authorities, international organizations such as UNESCO should provide expertise for the necessary analytical work and promote financial support for programmes of this kind.
Appendix C.

Culture and Sustainable Development: A Framework for Action

Environmentally and Socially Sustainable Development
The World Bank

Many organizations have worked in the culture field for years. Among them are the United Nations Educational, Scientific, and Cultural Organization (UNESCO), the International Council on Monuments and Sites (ICOMOS), the International Center for the Preservation and the Restoration of Cultural Property (ICCROM), the Aga Khan Trust for Culture, and the Smithsonian Institution. The World Bank’s entry into this field is relatively recent. In May 1998 a report by the Bank’s Social Development Task Group concluded that culture is an essential dimension of development and can provide a “lens for development,” illuminating hidden assets and defining a range of institutions to address problems that the Bank could not otherwise resolve. It also contributes to development directly.

Specifically, a program on culture and development can

- Provide new economic opportunities for communities to grow out of poverty;
- Catalyze local-level development by building on diverse social, cultural, economic, and physical resources;
- Generate revenues from existing cultural assets;
- Strengthen social capital and social cohesion; and
- Complement strategies for human development and build dynamic, knowledge-based societies.

The key question is not whether culture matters, but how the World Bank should integrate cultural dimensions into its work, in order to carry out its development mandate and its sectoral work more sensitively and effectively.

This paper describes the World Bank’s evolving work program for culture and sustainable development. It articulates criteria that justify lending for culture, and criteria that limit the Bank’s participation. The program is a work in progress, modest in size and geared toward enhancing the World Bank’s development effectiveness. It is carried out within the parameters of Board-approved policies for operations (see Annex A), but it adds an important proactive emphasis on culture and identity to the World Bank’s ongoing work. The program works in a learning mode, and builds on the expertise and experience of others. Fostering innovation and learning through partnerships, it will be one input into the holistic Comprehensive Development Framework proposed by World Bank President James D. Wolfensohn. The program
described here contributes to a more integrated view of development and more effective results on the ground.

A Framework for Support

World Bank assistance programs have impacts on culture, whether intended or not. The World Bank has long had policies aimed at avoiding adverse impacts on societies and cultures, and it has done extensive work under the Strategic Compact to inculcate cultural awareness and sensitivity into World Bank work.

Because culture underlies development and development work, *mainstreaming attention to culture* into Country Assistance Strategies (CASs), sector strategies, projects, economic and sector work will increase the Bank's effectiveness. This is especially true in education, health, targeted poverty programs, and urban and rural development. For example, in education, the Africa Region is developing strategies to support grass-roots library services and to make available books in vernacular languages, based on Africa's strong oral tradition. In urban upgrading and reconstruction activities, as in the Fez Medina and Yunnan Earthquake Reconstruction projects, the conservation and restoration of historic architecture are being used to restore commercial life to cities in ways that are labor-intensive, attract small businesses, and minimize social dislocation (see Annex B).

*Building on the cultures of poor and marginalized groups* is part of the World Bank's poverty agenda. Within that framework, the World Bank has begun to develop strategies to support social inclusion and strengthen locally relevant institutions for development purposes. This includes helping poor groups to create employment and income opportunities on the basis of their traditions. The World Bank also supports cultural activities in countries concerned about the cultural survival of poor and marginalized groups, to assist in strengthening the social cohesion, identity, and capacity of these groups. The Peru Indigenous Peoples' Development Strategy and the community-based indigenous peoples projects under development in Peru and Bolivia are cases in point. While such projects are heavily culture-oriented, they explicitly support the World Bank's development goals of social inclusion and poverty reduction.

When the World Bank supports conservation of monuments and heritage sites it is to achieve economic and social objectives. Most World Bank projects that include site conservation are justified on tourism grounds. However, it must be kept in mind that tourism can itself degrade the environment and culture. A key issue in World Bank support for site conservation linked to tourism will be to determine how the World Bank Group, including the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), can work with governments, the private sector, and nongovernmental organizations to stimulate and regulate tourism development in such a way as to prevent deterioration of the natural environment, sites, and community life, while enhancing local employment and revenues.

Lending Criteria

Although all the World Bank's work needs to be culturally sensitive, Bank support for cultural projects as such will depend on their impact and on whether the Bank has a comparative advantage. Financing culture-based activities is justified when it responds to needs expressed by client governments and supports CAS diagnoses and priorities. In particular, it is justified when it

- Reinforces sectoral or project objectives; or
- Core development activities;
- Reduces poverty and stimulates enterprise development by the poor;
- Contributes to poor groups' social capital and capacity, or
- Leverages private direct investment that generates local employment benefiting the poor, yields tax revenues, and contributes to environmental and cultural conservation.

In any case, the Bank should be involved only when it can add value to the assistance of others by integrating the work of specialized organizations into the social and economic development context. The World Bank does not finance culture-based activities when there is no demonstrable socioeconomic benefit consistent with the Bank's development mandate, when alternative financing is or could be available, or when the activity contravenes the CAS or is not in response to effective client demand. This said, it is clear that further analysis is needed to clarify the conditions under which
Culture-based activities can strengthen the identity, social cohesion, and efficacy of poor groups and contribute to their economic and social inclusion;

Tourism development can benefit the poor, yield significant government revenues, and avoid degrading environmental and cultural assets; and

World Bank intervention would not crowd out the activities of the private sector or other agencies.

This evidence will help in working out more incisive criteria to govern support for cultural activities that are developmental, but not directly income generating, and for conservation linked to tourism development.

Overall, the World Bank’s work in this arena should be pluralistic and should not seek to promote one culture or another. The program’s success will depend on the World Bank’s ability to leverage not only its own capacities but also the skills of expert organizations and the insights of grass-roots organizations to produce significant, sustained social and economic impacts.

Work Program

The work program for culture and development flows from these considerations and focuses on operational development, analytic work, and partnerships.

Operational Support and Best Practice Cases

In FY1998–99 the World Bank developed 30 operations—20 with culture components and 10 self-standing culture projects, primarily learning and innovation loans (LILs)—as well as a few small nonlending pilots and training activities. Most of these operations are in the World Bank’s traditional sectors, but they open new opportunities for community commitment and improve the local relevance and sustainability of program content and implementation arrangements.

In FY2000 operational support will include the following lines of work:

Mainstreaming culture into the World Bank’s Country Assistance Strategies, sector strategies and operations. Mechanisms for mainstreaming include:

- Catalytic action to identify and disseminate significant opportunities and approaches to regional staff, mobilize expertise and funding, and prompt research and development;

Collaboration in a Bankwide thematic group to develop mainstreaming priorities, tactics, and review mechanisms geared to country priorities in the regions; and

- Advocacy and advice by a small group of engaged Bank managers and staff.

Supporting culture-based operations. Such projects are expected to have various objectives: conserving physical assets and leveraging private investment (World Bank with IFC and MIGA); stimulating cultural enterprise development; strengthening identity and social cohesion to reduce poverty; and supporting nonformal education. This work will be complemented by supervision and learning from nonlending pilots—for example, Internet craft marketing, cultural Development Grant Facility (DGF) pilots, “art securities,” and tracking of Private Sector Development (PSD) Exchange pilots.

Building capacity linked to partnerships. This will include development of knowledge management systems; preparation of case studies; training for staff and clients, and with partners and the World Bank Institute; and steps to improve social assessments and cultural sensitivity.

Analytical Work

In FY1999 the program has supported country strategies (e.g., for Peru and Yemen) and regional strategies (Middle East and North Africa Region). Increasingly CASs are addressing the problems of excluded groups and local governance and providing a platform for integrating culture into the development strategy.

In the future, the social and economic justification of the World Bank’s investment in living and material culture will be the main topic of analysis. Discussions are being organized among eminent economists on the rationale for investing in culture. In addition, best practice cases on tourism will be developed. At this stage, the Bank has identified three domains for review:

- Policies, regulations, and public infrastructure choices that reflect advice of industry groups well known for gentle impacts on culture and environment;

- Development of broad-based civic support for the legal and regulatory framework (e.g., zoning, building standards) and of benefit streams for local residents, which depend on conservation; and

- Alliances between investors and local associations and nongovernmental organizations
(NGOs) representing poor residents, to forge linkages with the local economy.

**Partnerships**

The World Bank’s work on culture depends, and will continue to depend, on partnerships. The institution’s work and collaboration with other organizations is grounded in the principle of comparative advantage. The World Bank will not attempt to replicate the skills of, or duplicate the work of, specialized organizations such as UNESCO, the World Monuments Fund, the Smithsonian Institution, and ICCROM. Rather, the Bank is engaging in pragmatic partnerships for joint work through which it can draw on such organizations’ technical expertise. In return, the Bank’s involvement in the field can strengthen the effectiveness of the other organizations by facilitating their contacts with government ministries and NGOs, providing expertise in project evaluation, and mobilizing private sector interest.

Through the Culture and Development Network, the World Bank has provided forums for specialized cultural organizations, foundations, and regional organizations to forge such partnerships. Network participants have agreed to collaborate on projects when their respective priorities and work programs overlap and the work is self-financed by each organization. To connect organizations having capacity and resources with those that need them for activities involving both culture and development, the World Bank has organized three brokerage workshops (in April 1998, October 1998, and April 1999). In the course of the workshops, organizations in the Culture and Development Network have learned about projects in the World Bank’s lending program and have agreed with task managers on specific areas of collaboration. It is expected that as work in the field progresses, the role of the World Bank in relationship to such specialized organizations as UNESCO will be further refined and improved methods for working together will evolve.

**Conclusion**

This paper sets out the rationale and justification for the World Bank’s integration of cultural dimensions into its work, as well as the criteria for World Bank financing of culture-based activities. It is an interim report on an early phase of the work and will be followed in 18 to 24 months by stocktaking and development of a strategy paper for Board consideration. Findings by the Operations Evaluation Department (OED) will be incorporated into this strategy paper. The strategy paper will evaluate the conditions under which the World Bank should be supporting the conservation of living culture linked to social development, and physical conservation of cultural sites linked to tourism development. Periodic reporting on new lessons, clarification of the World Bank’s comparative advantage, and the evolution of criteria for World Bank support will be an important part of learning—in the World Bank Group, including the Board; with partners; and with our clients and beneficiaries.

Umberto Agnelli is the Chief Executive Officer and Vice Chairman of Fiat, Italy. Mr. Agnelli was a Managing Director of Fiat, and Chairman of Fiat Auto, from 1980 to 1990. He has assumed charge of Fiat’s International Operation Group with the specific task of coordinating and expanding the company’s industrial and marketing activities abroad.

Mr. Agnelli is Vice Chairman of Giovanni Agnelli, and also a member of the of the Board of Directors of Piaggio Foundation, which he chaired from 1965 to 1988. He is co-chairman of the Italy/Japan Business Group, Chairman of the Italy/Japan Association, member of the Italian Group of the Trilateral Commission, and serves on the Bilderberg Meetings Steering Committee.

Mr. Agnelli is an International Advisor of the Japanese Praemium Imperiale, a group that supports the development of art and culture worldwide, organized by the Japan Art Association and Fuji Television. From 1976 to 1979, he was Senator of the Italian Republic and is Grand’Officier of the Legion d’Honneur in France. Mr. Agnelli is a graduate in law.

Faisal Al-Rfou’h is the Jordanian Minister of Culture, assuming his current post in September, 1999. Before this current position, he was the Minister of Health. Minister Al-Rfou’h has also served as the Minister of Social Development, Associate Professor and Chairman of the Political Sciences Department at the University of Amman, the Founder and President of the General Union of Jordanian Students, Indian Branch, New Delhi, India.

Minister Al-Rfou’h is the President of the Indo-Jordanian Scholars Association, the Mahatma Gandhi Center for Developing Countries and Commonwealth Studies, and several other organizations focused on human rights issues. Minister Al-Rfou’h is widely published on topics addressing political science and peace issues. Minister Al-Rfou’h received his B.A. in Political Science from the University of Baghdad, M.A. and Master of Philosophy from Jawaharlal Nehru University, India. His Ph.D. is in International Relations from Meerut University, India.

Arjun Appadurai is Samuel N. Harper Professor at the University of Chicago, where he teaches in the Departments of Anthropology and South Asian Languages and Civilizations. He is also the Director of the Globalization Project at the University of Chicago. He serves on numerous scholarly and advisory bodies in the United States, Latin America, and Europe.

Professor Appadurai was born and educated in Bombay. He received an Intermediate Arts degree from Elphinstone College before leaving for
the United States. He received his B.A. from Brandeis University. His M.A. and Ph.D. are from the University of Chicago. He has served as a consultant or advisor to a wide range of public and private organizations, including the Ford, MacArthur, and Rockefeller foundations; UNESCO (Member, Council on the Future); the WIDER (World Institute for Development Economics Research); the World Bank; the National Endowment for the Humanities; and the National Science Foundation.

Professor Appadurai is the author of numerous books and articles in scholarly journals. His most recent book is Modernity at Large: Cultural Dimensions of Globalization. His previous publications have covered such topics as religion, cuisine, agriculture, and mass culture in India.

Mohammed Abdelilah Belghazi is the Director of the two Musées de l’Art Belghazi, in Rabat. The museums are in family ownership and contain a large collection of art works. Mr. Belghazi is widely published on the arts and culture of Morocco. He has been a promoter of many exhibits around the world, among them at the World Expo, Lisbon, 1998. Mr. Belghazi holds degrees from several universities. His doctorate studies were at the University of Fez, and at the University of Paul Valery in Montpellier.

Stefano Bianca was appointed as the first Director of the newly established Historic Cities Support Programme of the Aga Khan Trust for Culture in Geneva. The Programmes include combined restoration, urban rehabilitation, landscaping, community development, and institution-building projects in Pakistan, East Africa, Egypt, Uzbekistan, and Bosnia.

Mr. Bianca has been engaged in many projects including conservation of the old cities of Fez, Aleppo, Cairo, Damascus, Sana’a, the renewal of the old Riyadh airport as an urban park, and the urban design for the Justice Palace District.

Mr. Bianca studied architecture at the ETH (Swiss Institute of Technology) in Zurich. He has published several books on subjects related to environmental planning, Islamic architecture, and Muslim cities and gardens, most of them in German. An English book entitled “Urban Form in the Arab World—Past and Present” is to be released in late 1999.

Kurt Biedenkopf is the Minister President of Saxony, Germany. He was sworn in as a member of the Regional Parliament in 1994 and was recently re-elected. In 1990 during the transitional period to democracy and a market economy the Minister President was a guest professor at the Leipzig University. During this time he led the Christian Democratic Union of Saxony to victory in the first free election after German unification.

The Minister President has held numerous positions in the Christian Democratic Union party, including General Secretary, Vice President, and President of the North RhineWestphalia Regional Association. Professor Biedenkopf was a member of the Federal Parliament, and served as the chairman of the Institute for Economic and Social Policy in Bonn.

Minister President Biedenkopf has published several books and has received honorary degrees from Davidson College, Georgetown University, and the Catholic University of Brussels. The Minister President holds degrees in Law and Political Science.

Michael Bohnet is Director General for Bilateral Co-operation, at the Federal Ministry for Economic Co-operation and Development, Germany, and a Professor of Economics. Mr. Bohnet has held many posts at the Ministry for Economic Co-operation and Development before assuming his current position.

Mr. Bohnet is a member of the German Society for Economic and Social Sciences, and the European Association of Development Research Institutes. He holds a post on the Board of Trustees of the German African Institute, the Society for the Promotion of Research and Training in the field of International Technical and Economic Cooperation, and the Fraunhofer Institute for Solar Energy Systems.

Mr. Bohnet has been published widely on a variety of topics including income distribution, private and public debts of developing countries, and economic development.

Gianfranco Facco Bonetti is the Director General of the Cultural Relations at the Italian Ministry for Foreign Affairs. Mr. Facco Bonetti studied at the University of Trieste, where he obtained a Degree in Law and a Diploma in Translating and Interpreting (in French and English). Upon completing his military service, he entered the diplomatic service in 1967. In 1969, he became Head of the Direc-
From 1981 to 1986 Mr. Facco Bonetti served at the Directorate General for Economic Affairs (Middle Eastern Desk) in the Ministry of Foreign Affairs and at the Development Co-operation Department (Multilateral Co-operation Under-Secretary of State). In 1990, he became Diplomatic Advisor for Trade Affairs, at the Embassy in Moscow.


In 1998, he was appointed Director General of the Cultural Relations by the Council of Ministers.

Bonnie Burnham has devoted her career to the study and solution of problems relating to the protection and preservation of cultural heritage. She has served since 1985 as Executive Director of the World Monuments Fund, a New York-based non-profit organization that sponsors the conservation of significant art and architecture. Under her tenure, the organization has developed and carried out more than 50 conservation projects in 30 countries around the world and established licensed affiliates in six European countries.

Prior to joining the World Monuments Fund Ms. Burnham was executive director of the International Foundation for Art Research. She has written, taught and lectured extensively on topics relating to the protection of art and architecture.

Ms. Burnham holds degrees in art history from the University of Florida and the Université de Paris—Sorbonne. She serves on the Board of Trustees of the New York Studio School in New York, the Board of Directors of the National Institute for the Conservation of Cultural Property in Washington. She is a member of the advisory committee of the Hearst Monument Foundation. Ms. Burnham was named Chevalier de l'Ordre des Arts et des Lettres by the French government in 1995.

Ion Caramitru is the Romanian Minister of Culture. Mr. Caramitru was a member of the Executive Bureau of the National Salvation Council, and President of the Commission for Culture and Youth of the National Salvation Council. Before becoming Minister of Culture, Minister Caramitru was the Independent Vice-President of the Provisional Council for National Union, responsible for culture and youth.

Minister Caramitru has been involved in Sibiu-European Confluences, a complex project following a UNESCO initiative which shows that, through culture, a whole region may be rehabilitated, even economically. Minister Caramitru has been in over 60 theatre productions and has been a professor of Drama at the Theatre and Film Academy in Bucharest.

Minister Caramitru is an Honorary Officer of the Order of the British Empire for Cultural Co-operation between the United Kingdom and Romania. He has also received the "Chevalier de l'Ordre des Arts et des Lettres," a medal offered by the French Ministry of Culture. Minister Caramitru is a member of the Executive Bureau of the European Council of Artists, European Partnership for Arts and Heritage, and a member of the Informal European Theatre Meeting.

Hillary Rodham Clinton has worked tirelessly on behalf of children and families, focusing on many domestic issues including child care, adoption, and health care reform. In addition to her work at home, the First Lady serves as a goodwill ambassador for the United States. From Europe to Asia to Latin America, The First Lady takes her message of human rights, health care, and economic empowerment for women across the globe. During her trips, the First Lady has advocated for human rights, promoted microcredit as a means to economic self-sufficiency, pushed for equality in education for children as well as the importance of health care.

The First Lady helped create the White House Millennium Council to engage all Americans in marking the millennial milestone. Through such projects as Millennium Evenings at the White House and the Save America's Treasures partnership, the First Lady has encouraged all Americans to "Honor the Past, Imagine the Future," to remind us to preserve our culture and heritage and to enhance life for future generations.

The First Lady authored It Takes a Village and Other Lessons Children Teach Us, a national call for all sectors of society to take responsibility for our children. Ms. Clinton attended Wellesley College and Yale Law School.
Antonio Maria Costa is Secretary General, at the European Bank for Reconstruction and Development. Mr. Costa is in charge of institutional development, Board of Directors management, and governance with planning of shareholders, who are mainly the Ministers of Treasury in major western countries and countries of operations.

Mr. Costa has worked very closely with the United Nations, World Bank, International Monetary Fund, European Investment Bank, and the Organization for Economic Cooperation and Development. He is an experienced professor having taught at the Free University of Brussels, Belgium, New York University, University of California Berkley, and the Moscow University, in which he was the first western economist ever to attain this position. Mr. Costa received his Ph.D. in Economics from the University of California, Berkley, and has also attended the Turin University, and the Academy of Sciences of the former USSR.

Sheila Copps is the Minister of Canadian Heritage. Among her achievements, Ms. Copps has unveiled the Canada Television and Cable Production Fund for independent film and television production, introduced into copyright protection for Canada's recording artists and producers, and added 60,000 square kilometers of wilderness to Canada's National Parks.

Ms. Copps is a former Deputy Prime Minister and Minister of the Environment. In that portfolio, she brought forward the strongest federal environmental assessment legislation in the world, instituted Canada's first framework for the "greening" of federal government operations, created a commissioner of the Environment and Sustainable Development, and initiated the drafting of Canada's first national legislation for the protection of endangered species.

Ms. Copps has been elected five times to the House of Commons. She was educated at the University of Western Ontario, McMaster University, and the University of Rouen.

Hernan Crespo-Toral is Assistant Director General of UNESCO. He was formerly Director of UNESCO Regional Office of Culture for Latin America and the Caribbean, and Director General of the Museums of the Central Bank of Ecuador.

Mr. Crespo-Toral has directed restoration projects throughout Ecuador. He has been a Professor of Anthropology and Architecture at several universities, including the Catholic University of Ecuador, and the Central University of Quito. He has organized and contributed to many national and international exhibitions featuring the preservation of culture and monuments.

Mr. Crespo-Toral is a member of the Historic and Geographic section of the Ecuadorian Casa de la Cultura, Corresponding Member of the National Academy of History of Ecuador, Founding Member of the Inter-American Council of Culture, and Corresponding Member of the German Society of Cultural Anthropology.

Lamberto Dini served as the Italian Minister of Foreign Affairs, since 1996. He has been Governor for Italy in the International Monetary Fund, the European Investment Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank, and President of the Council of Ministers and Minister of the Treasury.

Minister Dini holds a degree in Economics, University of Florence, and completed his postgraduate studies at the Universities of Minnesota and Michigan. Lamberto Dini is the recipient of the Stringher Scholarship from the Bank of Italy, a Fulbright Scholarship from the U.S. Government, and a Ford Foundation Research Fellowship.

Minister Dini has served as an Official of the International Monetary Fund, Executive Director of the International Monetary Fund, elected by Italy, Spain, Greece, Portugal and Malta. Minister Dini was the Director General of the Bank of Italy, member of the Monetary Committee of the European Economic Communities, and Chairman of the Deputies of the Group of Ten.

Minister Dini was a member of the Board of Directors and Vice-President of the Bank for International Settlements, a member of the Foundation Board of the International Center for Monetary and Banking Studies, Geneva, and Minister of the Treasury in the Government of Prime Minister Berlusconi.

Makhtar Diouf is an economist at the Institute Cheick Anta Diop in Dakar, Senegal. He also consults many Regional and International Organizations. Mr. Diouf has been the Director of Economic Research Applications, and the Chief at the Department of Economics, in Dakar.
Makhtar Diouf holds a Doctorate degree in Economics from the University of Paris. Mr. Diouf is the author of many publications including the *Integration économique, Perspectives africaines, Senegal, Les Ethnies et La Nation, Les fondements théoriques des politiques d’ajustement du FMI, dans les pays sous-développés, L’Afrique et la Banque Africaine de Developpement, and the Life Style of the Senegalese Elite and its Macroeconomic Impact*, in World Bank long-term perspectives study of Sub-Saharan Africa. Mr. Diouf has traveled extensively in Africa.

**Najah El-Attar** has been the Syrian Minister of Culture since 1976. During this time the Minister has endeavored to put into practice the slogan “Culture for All and in the Service of All.” She has rallied intellectuals and writers, increased the number of culture centers, enhanced archeological excavation, created the Higher Institute of Theatrical Arts, the Higher Institute of Music, the Experimental Theater, the first distinguished Symphony Orchestra, several magazines, and also introduced the Damascus Film Festival.

Minister El-Attar has written and lectured a great deal, defending women’s rights, political causes of national struggle, and in support of the Arab and Palestinian struggle. She has also published several books, *To be or Not to be, Who Remembers Those Days, War Literature, The Diary of Days, Questions of Life, Hemingway and Oxen, Revolutionary Texture between March and November*.

**Margarita Gutman** is the Director of the Exhibition, *Buenos Aires 1910: Memories of the World to Come*, presented at the Abasto Market of Buenos Aires, and old building which has been restored situated in the center of Buenos Aires. Ms. Gutman was a Consultant to The Getty Research Institute for the History of Arts and the Humanities, Los Angeles, California, and Scholar in Residence at the same Institute. Ms. Gutman is a Fellow at The Woodrow Wilson International Center for Scholars, Washington DC. and will be at the International Institute for Advanced Studies, Project on Cities and Urban Knowledge’s, New York University, during 2000–2001.

Margarita Gutman graduated as an architect from the University of Buenos Aires. She was the Director of the Office of International Programs at the School of Architecture, Design and Urban Planning of the University of Buenos Aires, and Director of the Urban History and Development Program, at the International Institute for Environment and Development, IIEC-America Latina. She has been published widely on topics ranging from architecture, culture, to the environment, and urbanization.

**Abdelbaki Hermassi** is the Minister of Culture for Tunisia. Minister Hermassi was a Professor at the University of California, Berkley, and a member of the Faculty of Lettres of Tunisia. Minister Hermassi is a member of the Economic and Social Council, President of the Tunisian Association of Political Science, and was Ambassador of the Tunisian Permanent Delegation to UNESCO.

Minister Hermassi has written several publications including *Mouvement ouvrier en societe coloniale, Etat et Societe au Maghreb, Leadership and national development in North Africa, and Third World resessed*. Minister Hermassi has studied at the Lycee Camot, Tunis, Sorbonne, Paris Hautes Etudes, Paris, and received his Ph.D. in Sociology from the University of California, Berkley.

**Gianfranco Imperatori** is the Chairman of Mediocredito Centrale, Italy as well as Mediosim, Mediotrade, and Italrating. Mr. Imperatori is a member of Board of Directors of ABI (Italian Banking Association), and Vice Chairman of Banco di Sicilia.

Gianfranco Imperatori holds degrees from the University of Florence and the University of Rome. Mr. Imperatori has authored several books including *Pension Funds and Financial Market: from Four families to Economic Democracy; Project Financing—a Technique, a Culture, a Policy; Global Economy and Innovation—The Challenge of Italian Industry; and Pension Funds on the Border Line between Government and Market*.

**Ian Johnson** was appointed the World Bank’s Vice President for the Environmentally and Socially Sustainable Development Network (ESSD) in August, 1998. Mr. Johnson, a British national, joined the Bank in 1980 and a year later became an energy economist in the Europe, Middle East and North Africa Projects Department. In 1990, he became Principal Sector Economist in the Policy, Research and External Affairs Department, focusing on policy issues related to infrastructure, energy and environment. Mr. Johnson was appointed as Administrator of the Global Environment Facility.
(GEF) in 1992, where he played a major role in the restructuring and first replenishment of the GEF, putting the fund on a permanent footing. In 1995, he was promoted to Assistant Chief Executive Officer of the GEF Secretariat. He became Senior Manager of the Bank’s Environment Department in 1997, and Acting Vice President and Head of the ESSD Network in March 1998.

Mr. Johnson is an economist who studied at the Universities of Wales, Sussex and Harvard. Prior to joining the Bank, he worked for the British Government as an economist, and also spent five years in Bangladesh working with a nongovernment organization as a Program Officer for UNICEF.

Henock Kifle serves as Director of the African Development Institute, at the African Development Bank. He joined the Bank in 1992 as Senior Economist. Mr. Kifle has served in various capacities in a number of international development agencies. He has worked as a consultant for IFAD, FAO, the World Bank, and UNDP.

Mr. Kifle served also as Executive Director of the First Integrated Rural Development project in Ethiopia. Henock Kifle started his career in the Ethiopian Government and reached the position of Permanent Secretary of the Ministry of Agriculture.

Henock Kifle has written many articles and monographs on various development issues, in particular as they relate to Ethiopia and Africa. He recently edited a publication, *A New Partnership for African Development: Issues and Parameters*. Mr. Kifle holds a Ph.D. in Economics from the University of Massachusetts.

David Landes is Professor Emeritus at Harvard University and fellow at the Bellagio Center and Rockefeller Foundation. Mr. Landes has authored several books including *The Wealth and Poverty of Nations, Dynasties: Families in Business Enterprise, Bankers and Pashas, The Unbound Prometheus, and Revolution in Time*. Mr. Landes has done extensive research as to why some nations achieve economic success while others remain in poverty relative to culture and historical circumstances.

Mr. Landes has several fellowships and memberships from the National Academy of Sciences, American Academy of Arts and Sciences, American Philosophical Society, British Academy, Fondation Royaumont pour le Progres des Sciences de l’homme, France and from the Accademia dei Lincei, Rome.

Fulvio Massard is the Director, Head of Finance and Administration Department, Swiss Agency for Development and Cooperation in the Ministry for Foreign Affairs, Switzerland.

Mr. Massard was the personal advisor to the Swiss Minister of Foreign Affairs. He has also been an advisor for science, culture and education to the Swiss Minister of Home Affairs, and lecturer on Italian literature at the University of Lausanne, Switzerland.

Giovanna Melandri is the Italian Minister of Culture. She was elected for the first time to the Chamber of Deputies, with the Progressive Group in Rome. During the Twelfth Legislature she served as the Direction Committee of the Progressive Group and of the Vigilance Committee over the RAI (state television).

Minister Melandri graduated cum laude in Economics from the University of Rome in 1981, and has worked in the Research Department of Montedison, where she headed a working group researching industrial policy and technology. Minister Melandri was responsible for the International Office of Legambiente, and coordinated the Scientific Committee. Ms. Melandri has done extensive work on sustainable development, climate, and biodiversity.

Carlos Moneta is the Permanent Secretary of SELA (Latin American Economic System). In May 1996, the government of Argentina granted him the rank of Extraordinary and Plenipotentiary Ambassador.

Mr. Moneta has been a professor and researcher in the disciplines and fields of his specialty in universities and centers of higher education in many countries in South America, Europe, and the United States. Mr. Moneta has been a researcher at the United Nations Institute for Training and Research, and has been a consultant for UNESCO.Mr. Moneta is the co-author or author of more than 45 books published in different countries. His latest published work is *Dragones, Tigres Y Jaguares: America Latina y Asia mas alla de la crises*.

Federico Mayor is Director-General of UNESCO, having been elected for a second term
of office in 1993. Mr. Mayor was previously a member of the European and the Spanish Parliaments; Co-Founder, Director, and Scientific Chairman of the Severo Ochoa Molecular Biology Center; Director of the Institute of the Sciences of Amn in Madrid; Spanish Minister for Education and Sciences, and advisor to the Prime Minister of Spain.

Mr. Mayor holds a Ph.D. in Pharmacy from the University of Madrid, and was Professor of Biochemistry and later Rector of the University of Grenada. He is a member of the French Society of Biological Chemistry, the American Chemical Society, the Biotechnical Society of the U.K., the International Brain Research Organization, the Spanish Royal Academy of Pharmacy and many other academies and scientific societies. He has published more than 80 scientific articles, and received more than forty doctoral theses.

Niamien N’Goran is the Finance and Economic Minister, Cote d’Ivoire. Before his current post, Minister N’Goran was the delegate to the Prime Minister in charge of financing and planning.

Minister N’Goran was the Director General of Financial activities of the BCEAO in Dakar. He is a member of the Economic and Social Council of Cote d’Ivoire. Minister N’Goran participated in an analysis course at the International Monetary Fund, in which they focused on political financing. Minister N’Goran has a degree in finance and economics.

Franco Passacantando is Executive Director of the World Bank for Albania, Greece, Italy, Malta, and Portugal. Mr. Passacantando was formerly the Manager of the Research Department and held other senior positions at the Banca d’Italia. From 1986 to 1989, he was head of the Task Force on the Reform of the Italian Payment System. He has also held senior positions in the OECD and the B.I.S.

Mr. Passacantando has been a visiting scholar at the University of California (Berkley) Business School, and Associate Professor and Lecturer at the Universita’ degli Studi de Roma and the University della Calabria. He is the author of several articles and books on financial issues and monetary policy.

Mario Rietti is Presidential Delegate to the Central American Council for Sustainable Development, and Executive Secretary of the Honduran National Council for Sustainable Development (CONADES). He completed his doctoral studies on Economic Development and a Master’s Degree in Economics at Stanford University, California, U.S.A. He was Professor of Economic Development at the University of Honduras, President of the Honduran Economic Association, and Director of the National Development Bank of Honduras.

During his distinguished development banking career, Mr. Rietti was Governor of the Latin American Banking Federation, (FELABAN), and First Vice President and Acting President of FELABAN. He was Executive Director for Central America and Haiti at the Inter-American Development Bank (IDB), and representative of Honduras at the Interamerican Economic and Social Council of the Organization of American States (OAS). Mr. Rietti has represented Central America to the Committee of the Board of Governors of the Inter-American Development Bank (IDB), founded an international financial consulting firm, COFINSA.

Mr. Rietti has published widely on topics of economics, development, capital markets, sustainable development, investment promotion, and development financing.

Fahrudin Rizvanbegovic is the Minister of Education, Science, Culture and Sports, in Bosnia and Herzegovina. Mr. Rizvanbegovic is also a professor of Philosophy at the University of Sarajevo.

Minister Rizvanbegovic was the former editor of several magazines and periodicals on literature, culture, and society. He has published over 40 research and expert papers, as well as two books on Bosnian Literature and the Bosnian Language.

Minister Rizvanbegovic is a member of the Bosnian Intellectuals’ Congressional Council. He holds a Ph.D. in Humanities, Zagreb University.

Eduardo Rojas is the Principal Specialist, Urban Development, at the Inter-American Development Bank. Mr. Rojas is in charge of policy, strategic, and best practices work for the urban sector in the IDB, and is currently developing the Bank’s project guidelines on urban heritage preservation.

Mr. Rojas has been involved with housing policy, urban development, municipal financing, and urban preservation loans. He was educated at the
Catholic University of Chile; University of Edinburgh; Johns Hopkins University; and the Centre d’Etudes Industrielles, Geneva, Switzerland.

Victor Sa’Machado is the Chairman of the Gulbenkian Foundation, Portugal. He was the President of the Portuguese National Commission for UNESCO, and Honorary Representative of the United Nations High Commissioner for Refugees. Mr. Sa’Machado has also served as a Member of Parliament, and the Minister of Foreign Affairs, II Constitutional Government.

Mr. Sa’Machado was born in Angola and educated at the University of Coimbra, Oporto University, and at Lisbon Universidade Nova. He has received many awards in Europe, South America, and Africa. His most recent publication is A candidatura á Unesco e a Política Externa Portuguesa.

Ismail Serageldin is Vice President for Special Programs at the World Bank. Mr. Serageldin serves as Chairman of the Consultative Group on International Agricultural Research (CGIAR, since 1994), the Consultative Group to Assist the Poorest (CGAP, a microfinance program, since 1995), Global Water Partnership (since 1996), World Commission on Water for the 21st Century (since 1998), and co-chair of the World Bank-NGO Committee. He has published widely on topics of development, agriculture, economics, the environment, science, art and culture; and has received many honorary doctorates.

Rino Serri is Under Secretary of State for the Italian Ministry of Foreign Affairs. In his years, as a Member of Parliament he was especially active in the debate on the new World Trade Organization (WTO) and on the issue of aid to the developing countries. Senator Serri was appointed Deputy Minister for Foreign Affairs in charge of African affairs and aid to the developing countries, a post he currently holds.

Senator Serri was National President of A.R.C.I. Italian Cultural and Recreational Association from 1984 to 1989. In 1987, he was elected to the Senate of the Republic and re-elected in the 12th Legislature (1994–96) for the Democratic Left.

During the same period he was Vice-President of the Standing Committee of the Senate on Foreign Affairs, and Member of the Italian Delegation to the O.S.C.E. In his capacity as National President of A.R.C.I., Senator Serri devoted special efforts in favor of the peace process in Palestine, promoting the campaign “Salam ragazzi dell’Ulivo” (Salam, children of the olive tree) for the long-distance adoption of over 6,000 Palestinian children. Senator Serri holds a degree in Modern Literature from the University of Bologna.

Balmiki Prasad Singh is Executive Director of the World Bank, representing Bangladesh, Bhutan, India, and Sri Lanka. Mr. Singh is a distinguished administrator and intellectual who has served in various capacities in the State and Union governments of India for about 35 years. Over the years, he has had responsibilities in many sectors, including health, environment, mining, culture, agriculture and rural development. Before joining the Bank in August, Mr. Singh was the Indian Union Health Secretary.

Mr. Singh was educated at Patna University, India, where he obtained his Master of Arts degree in Political Science and became lecturer in the Postgraduate Graduate Department of Political Science at the age of only 19. Mr. Singh has a postgraduate degree from Oxford University, UK. Mr. Singh is the recipient of the Jawaharlal Nehru Fellowship and the Queen Elizabeth Fellowship at Oxford. He is the author of five books and more than a dozen professional articles. He was the 1998 recipient of the Gulzari Lai Nanda Award for outstanding public service in India.

Paul Patrick Streeten is Professor Emeritus of Boston University and a Consultant to the UNDP. He was Professor of Economics and the Director of the World Development Institute at Boston University. He was a Special Adviser to the Policy Planning and Program Review Department of the World Bank, and Director of Studies at the Overseas Development Council. He was Deputy Director General of Economic Planning at the Ministry of Overseas Development, a member of the Royal Commission on Environmental Pollution, and on the Board of the Commonwealth Development Corporation.

He has a D. Litt., M.A. and B.A., from Oxford University; an M.A. and honorary LL.D. from the University of Aberdeen, and an honorary D. Litt. from the University of Malta. He was awarded the Development Prize by the Justus Liebig University, Giessen, Germany. He is an honorary member of the German International Association for World Economy and World Politics.
Mr. Streeten has published widely on topics of Economic Integration, Social Theory, Commonwealth Policy, and Diversification and Development.

**Peter Sullivan** is Vice-President (East) at the Asian Development Bank. This position is responsible for public and private sector project loans and investments in ADB member countries in its East Region, including China, Indonesia, Malaysia, Mongolia, the Philippines, twelve Pacific Island countries, and Kyrgyz Republic, Kazakhstan, Tajikistan and Uzbekistan. The lending program for these countries exceeds $3 billion annually. Responsibilities also include supervision of ADB co-financing activities, and consulting and procurement services. Mr. Sullivan has been a Vice President of Operations and a Member of the General Counsel.

Mr. Sullivan is a graduate of Yale Law School, and Princeton University. Peter Sullivan was admitted to the N.Y. State Bar, Law and U.S. Tax Court. He is a Member, N.Y. State Bar Association, and the Princeton Club of New York.

**Patrizia Toia** is the Under-Secretary of State for Foreign Affairs. She was elected as a Senator of the Italian Republic in 1996. Ms. Toia was a Director of Planning Department of the Region of Lombardy, and a Member of the National Committee on Equal Opportunities between Men and Women, at the Presidency of the Council of Ministers with assignments in the Women and New Technologies Group.

Senator Toia was rapporteur for Italy in meetings and panel discussions organized by European and international bodies on such issues as employment and production changes, following the advent of the new technologies, and on the presence of women in statutory bodies. Ms. Tola is a Member of Parliament and acted as member of the Transport and Telecommunications Committee. Graduated in Political Sciences from the University of Milan, she also attended courses at the Bocconi University.

**Martine Tridde-Mazloum** has served as the Secretary General of the Foundation Paribas since its start in 1984. The group Paribas is one of the main French financial and banking group, and under her tenure, the Paribas Foundation has promoted projects in the social, scientific, and cultural sectors for more than 67 million French Francs.

The aim of Ms. Tridde-Mazloum is to “be a donor with the knowledge of an investment bank”. Among the cultural projects, the Paribas Foundation promoted the “Le Dévoir de la Mémoire,” dedicated to the promotion of the visibility of the European Cultural Heritage, and the project “Construction de l’Avenir,” promoting the living culture production. Ms. Tridde-Mazloum holds degrees in Political Sciences, European Law, and Latin American Studies.

**Professor David Throsby** has been Professor of Economics at Macquarie University in Sydney since 1974. He holds a Master’s degree from the University of Sydney and a Ph.D. from the London School of Economics. Professor Throsby has worked extensively in the economics of the arts and culture, the economics of education, and the theory of nonmarket goods. He has been a consultant for many international organizations including the World Bank, OECD, FAO, and UNESCO, and for government and private enterprise in Australia. In 1991-1993 he chaired three of the Prime Minister’s Working Groups on Ecologically Sustainable Development, and has since continued his interests in sustainability issues in the cultural field.

Professor Throsby has been a member of many Boards and Committees, including the National Association for the Visual Arts, the Museum of Contemporary Art (Sydney), the Copyright Agency Limited, VISCOPY, the Australian Museum and ECAAR (Economists Allied for Arms Reduction). He is currently immediate Past President of the Association for Cultural Economics International, and is a member of the Editorial Boards of the *Journal of Cultural Economics, the International Journal of Cultural Policy and Pacific Economic Bulletin,* and is a member of the Scientific Committee for the UNESCO *World Culture Report.*

**Jorge E. Uquillas** is a Senior Sociologist at the World Bank. Mr. Uquillas manages new projects on indigenous peoples development and biodiversity conservation. He coordinates the various indigenous peoples activities, and provides technical support to a variety of projects on social issues.

Mr. Uquillas has written extensively on agricultural systems, indigenous peoples, and socio-economic development issues in Latin America. Mr. Uquillas received his undergraduate degree
in Sociology at Stetson University and his MA and Ph.D. in Sociology and Latin American Studies. Mr. Uquillas has also done special studies in International Agriculture and Rural Development at Cornell University.

**Fields Wicker-Miurin** is Vice President of A.T. Kearney's financial Institutions Group where she leads the Global Markets Practice. Ms. Wicker-Miurin was Director of Finance and Strategy at the London Stock Exchange. She led the development and implementation of a strategy to restructure and reposition the Exchange financially and competitively. Ms. Wicker-Miurin began her career in International Banking with the Philadelphia National Bank.

Ms. Wicker-Miurin holds degrees from universities in France, Italy, Poland, and the USA. She has also been selected by the World Economic Forum, as a Global Leader for Tomorrow.

Ms. Wicker-Miurin is a non-executive director of United News and Media Plc. Active in the art world, she is Director of the London International Festival of Theatre, and is on the Board of Council of ABSA, the Association for Business Sponsorship of the Arts. She writes and lectures extensively on a range of issues, including equity markets and the future of organized exchanges, leadership in the 21st century, ethics, and the relationship between the business and creative community.

**Susan Waffa-Oggo** is the Secretary of State for Tourism and Culture, The Gambia. Minister Waffa-Oggo had been a Librarian for many years at The Gambia College, in which she also lectured English. Ms. Waffa-Oggo was Minister of Information and Tourism before her current post.

Ms. Waffa-Oggo studied at the University of Ghana, and the Loughborough University of Technology, United Kingdom. She has also participated in the Duke of Edinburgh's Award Scheme.

**Juan Ignacio Vidarte** has been the Director of the Guggenheim Museum, Bilbao, since 1996. Before this time Mr. Vidarte was the Director of the Guggenheim Consortium, Bilbao, which was established to construct and manage the Guggenheim, Bilbao project.

Before this position, Mr. Vidarte acted as Director of Fiscal Policy. During this time he developed new local fiscal system, and adopted several structural reforms related to the regulation of social taxes. Mr. Vidarte assisted in implementing a program which received an A4 rating by Standard and Poor's and Moody's, the first time a public Spanish institution received the highest rating possible.

Mr. Vidarte studied Economics and Business at the University of Deusto, and received his Postgraduate degree at Massachusetts Institute of Technology.

**James D. Wolfensohn** is the ninth President of the World Bank Group. During his tenure at the Bank, Mr. Wolfensohn has traveled widely in order to see the challenges facing the World Bank. During his travels, Mr. Wolfensohn has not only visited development projects sponsored by the World Bank, but he has also met with the Bank's government clients as well as with representatives from business, labor, media, nongovernmental organizations, religious and women's groups, students and teachers.

Prior to joining the Bank, Mr. Wolfensohn was an international investment banker on Wall Street. His was the President and Chief Executive Officer of James D. Wolfensohn Inc. Mr. Wolfensohn is also Chairman of the Board of the Institute for Advanced Study at Princeton University. He is currently Chairman Emeritus of Carnegie Hall and of the John F. Kennedy Center for the Performing Arts in Washington, D.C.

Mr. Wolfensohn is a Fellow of the American Academy of Arts and Sciences and of the American Philosophical Society. He has been the recipient of many awards for his volunteer work, including the first David Rockefeller Prize of the Museum of Modern Art in New York. He has been knighted by Queen Elizabeth II for his contribution to the arts and decorated by the Governments of Australia, France, Germany, Morocco, and Norway. Mr. Wolfensohn holds B.A. and LL.B. degrees from the University of Sydney and an M.B.A. from the Harvard Business School.
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Conference Program

Convened by the Government of Italy and the World Bank, in cooperation with the United Nations Educational, Scientific and Cultural Organization

Monday Morning, October 4

PALAZZO VECCHIO
Salone dei Cinquecento

OPENING PLENARY

Welcoming
10:30 Mayor of Florence
President of the Regional Government of Tuscany

Opening Address
11:00 Lamberto Dini
Minister of Foreign Affairs
Italy

11:30 James D. Wolfensohn
President
The World Bank

Session I: Culture and Sustainable Development: Threats and Tensions

12:00–12:20 “A Global Overview of Threats and Tensions”
Heman Crespo-Toral
Assistant Director General
UNESCO

12:20–12:40 “A Regional Perspective of Threats and Tensions”
B.P. Singh
Executive Director
The World Bank

12:40–13:00 “Threats to Culture in Development: A National Perspective”
Abdelbaki Hermassi
Minister of Culture
Tunisia
Monday Afternoon, October 4, 1999

FORTEZZA DA BASSO
Cavaniglia Pavilion
Main Plenary Hall

Session II: The Role of Culture in Sustainable Development

15:00–17:30
Presiding: Faisal Al-Rfou'h
Minister of Culture, Jordan

15:10–15:35  "Why Some are so Rich and Others so Poor: The Role of Culture"
David S. Landes
Professor Emeritus
Harvard University
United States

15:35–16:00  "The Economic, Anthropological, and Social Perspective: Culture and Sustainable Development in Central America"
Mario Rietti
President
COFINSAs
Honduras

16:00–16:25  "The Economic Dimensions of Culture: An Analytic Perspective"
David Throsby
Department of Economics
Macquarie University
Australia

16:25–16:45  Break

16:45–17:10  "Culture and Sustainable Development: Another Perspective"
Paul Streeten
Boston University
United States

17:10 Juan Ignacio Vidarte
Director General
Guggenheim Bilbao
Spain

19:00 The Inauguration of the New Special Illumination of Santa Maria Del Fiore
Florence Cathedral
Pre opening of the exhibition "Youth of Michelangelo"
Tuesday Morning, October 5, 1999

FORTEZZA DA BASSO
Cavaniglia Pavilion
Main Plenary Hall

Session III: Policies for Culture in Sustainable Development

9:00–9:55
Presiding  Ion Caramitru
Minister of Culture
Romania

Kurt Biedenkopf
Minister President
Saxony, Germany

Susan Waffa-Ogoo
Secretary of State for Tourism and Culture
Banjul, The Gambia

Martine Tridde
Secretary General
Paribas Foundation
Paris, France

Sheila Copps
Minister of Culture
Ministry of Canadian Heritage
Canada

FORTEZZA DA BASSO
Cavaniglia Pavilion
Main Plenary Hall

Session IV: Multilateral Development Banks: Development Impact of Cultural Programs and Projects

10:00–11:15
Presiding  Natale D’Amico
Under Secretary of State
Ministry of Treasury and Budget
Italy

Antonio Maria Costa
Secretary General
European Bank for Reconstruction and Development

Peter H. Sullivan
Vice President
Asian Development Bank
Tuesday Morning, October 5, 1999 (continued)

Henock Kifle
Director
African Development Institute
African Development Bank

Eduardo Rojas
Principal Specialist
Urban Development
InterAmerican Development Bank

FORTEZZA DA BASSO
Cavaniglia Pavilion
Main Plenary Hall

Session V: Concurrent Roundtable A1
Bilateral Development Agencies: Development Impact of
Programs and Projects on Culture Prototypes and Best Practice

11:30–13:00
Presiding
Rino Serri
Undersecretary of State
Ministry of Foreign Affairs
Italy

Fulvio Massard
Director
Administration and Finance Department
Member of the Directorate
Swiss Agency for Development and Cooperation (SDC)
Switzerland

Najah El-Attar
Minister of Culture
Syria

Michael Bohnet
Director General
Bilateral Operations
Federal Ministry for Economic Cooperation and Development
Germany

Carlos A. Moneta
Secretary
Latin American Economic System (SELA)
Venezuela
Tuesday Morning, October 5, 1999 (continued)

FORTEZZA DA BASSO
Teatro Lorenese

Session V: Concurrent Roundtable A2
Resources for Culture in a Multicultural Society-Private Sector and Foundation Experience

11:30-13:00
Presiding Umberto Agnelli
President
IFIL
Italy

Gianfranco Imperatori
President
Mediocredito Centrale
Italy

Fields Wicker-Miurin
A.T. Kearney Financial Institutions Group
United Kingdom

Mohammed Abdelilah Belghazi
Musee d’Art Belghazi
Morocco

Margarita Gutman
Instituto International de Medio Ambiente y Desarrollo (IIED)
Buenos Aires, Argentina

Tuesday Afternoon, October 5, 1999

FORTEZZA DA BASSO
Cavaniglia Pavilion
Main Plenary Hall

Session VI: Concurrent Roundtable B1
The Constraints on Resources for Culture in Developing Countries and Economies in Transition

15:00-16:15
Presiding Victor Sa’Machado
President
Gulbenkian Foundation
Portugal

N’Goran Niamien
Minister of Economy and Finance
Cote d’Ivoire

Fahrudin Rizvanbegovic
Federal Minister of Education, Science, Culture and Sport
Bosnia and Herzegovina
Tuesday Afternoon, October 5, 1999 (continued)

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Economist  
Institute Cheick Anta Diop  
Dakar, Senegal

Arjun Appadurai  
Samuel N. Harper Professor  
Anthropology  
University of Chicago

FORTEZZA DA BASSO  
Teatro Lorenese

Session VI: Concurrent Roundtable B2  
The Cultural Impact of Development on Civil Societies and Indigenous Culture

15:00–16:15

Presiding  
Ian Johnson  
Vice President  
Environmentally and Socially Sustainable Development  
The World Bank

Mpho M. Malie  
Minister of Trade, Industry and Marketing  
Lesotho

Stefano Bianca  
Aga Khan Trust for Culture  
Director of Historic Sites Support Programme

Jorge Uquillas  
Coordinator  
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FORTEZZA DA BASSO  

CONCURRENT SEMINARS

16:30–18:30

Investing in Culture: Making It Work  
Valuing Cultural Assets  
Organizer: ICCROM  
Location: Teatro Lorenese

Measuring Culture and Development: Prospects and Limits in Constructing Cultural Indicators  
Organizer: UNESCO  
Location: Cavaniglia Pavilion, Plenary Hall

Investing in the Tangibles and Intangibles in Intercultural Dialogue  
Organizer: UNESCO  
Location: Volta Room
Tuesday Afternoon, October 5, 1999 (continued)

*Call for a Culture and Environment Compact: The Quest for Sustainable Finance*
Organizer: IUCN and the Mountain Institute
Location: Cavaniglia Hall C

*The World Bank’s Approach to Culture and Sustainable Development: The Opportunities Ahead*
Organizer: The World Bank
Location: Cavaniglia Hall B

*Private and Public Sector Partnership for Community Development.*
Organizer: The Government of Canada and the Council of Europe
Location: Scherma Room

18:30 Opening of the Children’s Art Exhibit, “Children Look to the Horizon.”
18:30 Dinner Available at the Fortezza da Basso
20:00 Evening Lectures (Open to the Public)

*The State of Knowledge in Cultural Management*
Alessandro Bianchi - Italian Central Restoration Institute (ICR)
Angelo Guarino Italian National Research Council (CNR)
Location: Fortezza da Basso, Cavaniglia Pavilion Plenary Hall or Hall B

*Financing Art and Culture in the Renaissance in Florence: The Medicis’ Contribution*
Anna Maria Petrioli Tofani, Director, Museo degli Uffizi
Location: Fortezza da Basso, Cavaniglia Pavilion Hall B, or Hall C, or the Teatro Lorenese

Wednesday, October 6, 1999—Forteza Da Basso

**Program For Thematic Working Groups Sessions**

_The Working Groups are all to advance knowledge, capacities, economic analysis, and the financing of culture and cultural heritage in sustainable development_

9:15–13:00 Working Group Sessions Begin
(10:00–11:00 coffee is available in the courtyard.)
13:00–14:30 Lunch
14:30–16:00 In Session
16:00–16:30 Coffee Break
16:30 Attend Plenary

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Wednesday, October 6, 1999 (continued)

Each Thematic Working Group has been sponsored and autonomously organized by the identified organization or unit. ("Closed" or "Open" indicate if the Working Group is open to the participants at the conference or only to the members of the Working Group)

Thematic Working Group 1 Cavaniglia Pavilion Plenary Hall, 2. Cavaniglia Hall B, and 3. Cavaniglia Hall C—CLOSED
Theme: Italian Bilateral Cooperation
Organizer: Minister Vincenzo Petrone, Director General for Development Cooperation, Ministry for Foreign Affairs

Thematic Working Group 2 Palazzina Lorenese Signorelli Room—OPEN
Theme: Cathedrals for Environment. Financing Culture and Nature for Generation to Come
Organizers: IUCN and the Mountain Institute
Maritta R. von Bieberstein Koch-Weser and D. Jane Pratt

Thematic Working Group 3 Palazzina Lorenese Sansovino Room—CLOSED
Theme: Cultural Economics, Identity and Poverty Reduction
Organizers: The World Bank
Kreszentia Duer, Michael Walton

Thematic Working Group 4 Palazzina Lorenese Bronzino Room—CLOSED
Theme: Culture and National Millennium Commissions
Organizers: The White House, U.S.A.
Ellen Lovell, Caroline J. Croft

Thematic Working Group 5 Teatro Lorenese—CLOSED
Theme: Cultural Conservation in East Asia
Organizers: The World Bank (Asia)
Geoffrey Read

Thematic Working Group 6 Palazzina Lorenese Botticelli Room—OPEN
Theme: Sharing the Wealth: Improved Sustainability through Integrated Conservation Planning
Organizers: World Monuments Fund
Bonnie Burnham

Thematic Working Group 7 Volta Room—OPEN
Theme: Valuing Heritage—Beyond Economics
Organizers: ICCROM
Marc Laenen

Thematic Working Group 8 Palazzina Lorenese Angelico Room—OPEN
Theme: Museums: Conservation and Management of Cultural Heritage
Organizers: CIVITA
Nicolo Savarese, Albino Ruberti

Thematic Working Group 9 Palazzina Lorenese Giotto Room
Theme: Cultural Policy and Sustainable Development, a New Partnership
Organizers: Council of Europe
Vera Boltho

Thematic Working Group 10 Della Scherma
Theme: Culture and Private Sector Support
Organizers: Arts and Business
Colin Tweedy
Wednesday, October 6, 1999 (continued)

Thematic Working Group 11 Palazzina Lorenese Leonardo Room—OPEN  
Theme: *Sustainable Development in Communication and Education: Pilot Projects and Case Studies*  
Organizers: Scuola Normale Superiore di Pisa, Soprintendenza Archeologica di Pompei, MEDICI Framework, European Commission, Istituto Centrale per il Restauro

Thematic Working Group 12 Palazzina Lorenese San Gallo Room*—OPEN  
Theme: *Financing Cultural Site Management*  
Organizers: The World Bank  
Arlene Fleming

Thematic Working Group 13 Palazzina Lorenese Cellini Room—OPEN  
Theme: *Sustainable Development in Communication and Education: Pilot Projects and Case Studies*  
Organizers: Scuola Normale Superiore di Pisa, Soprintendenza Archeologica di Pompei, MEDICI Framework, European Commission, Istituto Centrale per il Restauro  
Eduard Delgado, Y. Raj Isar

Thematic Working Group 14 Palazzina Lorenese Brunelleschi Room—OPEN  
Theme: *Strategies and Guidelines for Architectural Heritage: Technical and Financial Aspects*  
Organizers: ICOMOS, UNESCO, Council of Europe  
Giorgio Croci, Jean-Luis Luxen, J.M. Ballester

Thematic Working Group 15 Palazzina Lorenese Ghiberti Room  
Theme: *Supporting Cultural Enterprises for Local Development*  
Organizers: Ford Foundation  
Damien Pwono

Thematic Working Group 16 Palazzina Lorenese Verrocchio Room  
Theme: *Archives and Sustainable Development*  
Organizers: The World Bank (Latin America)  
Carolle Carr, Elisa Liberatori-Prati

Thematic Working Group 17 Palazzina Lorenese Lippi Room—OPEN  
Theme: *Cultural Tourism and Development*  
Organizers: Touring Club of Italy  
Armando Peres

Wednesday Afternoon, October 6, 1999

**FORTEZZA DA BASSO**  
*Cavaniglia Pavilion*  
*Main Plenary Hall*

**Session VII: Strategies to Support Culture in Sustainable Development**

16:30–18:30  
*Presiding* Franco Passacantando  
Executive Director  
The World Bank  
*Summary Presentations to the Plenary by the Thematic Working Groups on initiatives to advance knowledge, capacities, economic analysis, and the financing of culture and cultural heritage in sustainable development.*)
Wednesday Afternoon, October 6, 1999 (continued)

18:30 Adjourn

18:35 Conference participants and their partners are cordially invited to board the special buses departing the Fortezza da Basso, in front of Porta Faenza, to visit the Uffizi

19:00 Guests are first invited to visit the Uffizi Gallery and then to promenade through the Vasari Corridor (approximately one mile) to the Palazzo Pitti. This will be followed by a buffet reception, hosted by the Mediocredito Centrale, in the courtyard of Palazzo Pitti. Guests are also invited to visit the Galeria Palatina.

Thursday Morning, October 7, 1999

FORTEZZA DA BASSO
Cavaniglia Pavilion
Main Plenary Hall

Session VIII: A Vision for the Future

9:00–9:20 “The Promise of the Work in Progress” (The Summation Overview of the Thematic Working Groups Endeavors)
Bonnie Burnham
President
World Monuments Fund

9:20–9:40 Commentaries on the UNESCO/Government of Italy paper, Towards New Strategies for Culture in Sustainable Development
Gianfranco Facco Bonetti
Director General
Cultural Relations
Ministry for Foreign Affairs
Hernàn Crespo-Toral
Assistant Director General
UNESCO

9:40–9:50 Commentary on the World Bank paper Culture and Sustainable Development
Ian Johnson
Vice President
The World Bank

9:50–10:20 Audience Comments
Thursday Morning, October 7, 1999 (continued)

FORTEZZA DA BASSO  
Cavaniglia Pavilion  
Main Plenary Hall

Session IX: Creating Capacity for Cultures in Sustainable Development

Closing Keynotes  
10:20–12:30

Presiding  
Patrizia Toia  
Undersecretary of State  
Ministry of Foreign Affairs  
Italy

10:30  
Federico Mayor  
Director General  
UNESCO

11:00  
Hillary Rodham Clinton  
First Lady  
The United States of America

11:30  
Break

11:45  
A Retrospective Summary  
Ismail Serageldin  
Vice President  
Special Programs  
The World Bank

12:10  
Closing Remarks  
Giovanna Melandri  
Minister of Cultural Heritage and Activities  
Italy

12:45  
Conference Adjourns

Thursday Afternoon, October 7, 1999

FORTEZZA DA BASSO  
Cavaniglia Pavilion  
(Assigned Halls to be determined)

POST CONFERENCE EVENTS  
(CONCURRENTLY SCHEDULED)

14:30  
1) Culture in Sustainable Development: Partnerships and Brokering  
Convenor—The Culture Anchor, The World Bank, and the Ford Foundation  
Kreszentia Duer, Eleanor Fink, Damien Pwono
2) Open House Invitation
Sun Microsystems Cyber Café
Networking Social Session for all Thematic Working Groups

3) Optional
Open forum discussion of government of Italy/UNESCO
Paper, “Towards New Strategies for Culture in Sustainable Development”

4) Study Tours
*Sponsor: The Ministry of Cultural Heritage and Activities and the Regional and Local Authorities of Tuscany*

Conference proceedings can be found on the World Wide Web: http://www.worldbank.org/csd