



MODULE 3:

Valorisation of Cultural Heritage

Authors:

Dietmar Wiegand, Dora Hably, Yulia Kartysh – Institute of Property Research
(IPRE)

Verónica Buey Cieslak, Victoria Ateca Amestoy, Anna Velasco Rebollo -
Asociación Española de Gestores de Patrimonio Cultural (AEGPC)

Karin Drda-Kühn – Kultur und Arbeit e.V.



Co-funded by the
Erasmus+ Programme
of the European Union

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Project number: 2018-1-DE02-KA202-005018

This training module is part of HERITAGE-PRO training scheme containing five training modules that have been developed within the Erasmus+ Strategic Partnership **HERITAGE-PRO – Interdisciplinary Training for Professionals of Different Disciplines Towards Sustainable Management and Preservation of Cultural Heritage**. The training modules are available in English, German, Spanish and Swedish.

A team of six public and private European institutions, networks, development agencies and associations – all linked to cultural heritage preservation - developed the training scheme focussing on interdisciplinary aspects in cultural heritage preservation. The training at a glance:

HERITAGE-PRO Training Scheme
Training Module 1: Global Challenges and Opportunities in Cultural Heritage Field
Training Module 2: Efficient Team Working and Effective Interdisciplinary Conflict Resolution
Training Module 3: Valorisation of Cultural Heritage
Training Module 4: Participation
Training Module 5: Effective Communication in an Interdisciplinary Environment

Find out more: <https://heritage-pro.eu>

Front page picture: Museum Quarter Vienna,
Copyright: © WienTourismus/Christian Stemper



This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).

You are free to:

- Share — copy and redistribute the material in any medium or format
- Adapt — remix, transform, and build upon the material
- for any purpose, even commercially.
- The licensor cannot revoke these freedoms as long as you follow the license terms.

Under the following terms:

- Attribution — You must give [appropriate credit](#), provide a link to the license, and [indicate if changes were made](#). You may do so in any reasonable manner, but not in any way that suggests the licensor endorses you or your use.
- No additional restrictions — You may not apply legal terms or [technological measures](#) that legally restrict others from doing anything the license permits.

Notices:

- You do not have to comply with the license for elements of the material in the public domain or where your use is permitted by an applicable [exception or limitation](#).
- No warranties are given. The license may not give you all of the permissions necessary for your intended use. For example, other rights such as [publicity, privacy, or moral rights](#) may limit how you use the material.

Table of Content

3.1. ABOUT THIS TRAINING	5
3.1.1. TOPIC	5
3.1.2. CHALLENGES	6
3.1.3. REQUIREMENTS	6
3.1.4. LEARNING OUTCOME	7
3.1.4.1 KNOWLEDGE AND UNDERSTANDING	7
3.1.4.2 COMPETENCES AND SKILLS	7
3.1.4.3 JUDGMENT AND APPROACH.....	8
3.1.5. SUMMARY OF UNITS	8
3.2. LEARNING UNITS	9
3.3. EXCERCISES (<i>for groups or individuals</i>)	31
3.4. CASES AND ADDITIONAL READINGS	32
3.5. ASSESSMENT	35
3.6 GLOSSARY	36
3.7. REFERENCES	37
3.8. THE HERITAGE-PRO PARTNERS: AN INTERDISCIPLINARY TEAM FOR SKILLS DEVELOPMENT IN CULTURAL HERITAGE PRESERVATION	39
3.9. ACKNOWLEDGEMENTS.....	40

3.1. ABOUT THIS TRAINING

As a professional in cultural heritage management you have your own background: You might be a cultural manager, an art historian, an architect, a geographer. You might also have a business administration or real estate management background. Entering the “world” of cultural heritage and its related complex social, economic and environmental processes that are including different layers and technical and planning steps with its numerous specialists, stakeholders and interests, is a true challenge. Maybe you want to lead cultural heritage valorisation projects. Beside e.g. the capability to moderate the interdisciplinary team working and to resolve conflicts, you surely need basic knowledge of the different values, how they are interrelated and how they can be increased jointly in respect of the uniqueness of each development situation.

This training was developed by an interdisciplinary team for interdisciplinary purposes in cultural heritage management. It is based on many experiences of the European partners who want to further improve cultural heritage management. This training is based above all on the insight that the cooperation of different professional groups in complex valorisation projects is a great challenge, which receives far too little attention in the relevant courses of university education and professional training. Therefore, this training is conceived as vocational further training, which wants to give you tools which you can use directly in your professional practice.

Key words:

- Valorisation
- Systemic thinking
- Economy
- Public goods
- Appropriate use
- Cluster business
- Cultural heritage

3.1.1. TOPIC

Module 3 introduces the concept of “appropriate use” (enabling preservation). To achieve optimal appropriate and (new) uses managers need adequate management models. Module 3 deepens the understanding of the different value aspects of cultural heritage (CH); the social, artistic, economic, and even environmental value. These different values are ‘bundled’. Management co-ordination is necessary, as illustrated in the pentagon of “public targets”. This is the broader understanding of preservation as a valorisation process.

Key content terms are:

- Economy and hedonistic models
- Public goods
- Valorisation
- Systemic thinking
- appropriate reuse / appropriate valorisation
- Cultural heritage

One critical “new” CH management capability is the ability to position yourself in a competitive and interdisciplinary environment. The question is: How best to engage in so called “cluster businesses”. How can you create advantages and win-win-situations for stakeholders with different interests?

Concepts for strategies to achieve and realize the value of the heritage are introduced. Cases presented in later Modules will focus on business models for (sustainable) use of the built and tangible CH and of how to practically develop and manage asset creation.

The learning objectives of Module 3 is to impart basic knowledge and train capabilities for the new role of the cultural heritage professional; i.e. developing and managing appropriate use of cultural heritage assets and for the attempt to increase positive social, economic and environmental effects, linking it to local and regional development in a holistic (“systemic”) approach.

3.1.2. CHALLENGES

The shift from a focus from “right preservation” to “appropriate use” (enabling preservation) brings new challenges for all involved actors in the sector; present and new.

Developers and managers of cultural heritage sites must think about who could benefit from historic objects and practices and who could pay for the right to “use” it – as infrastructure for his/her own business (CH2B) or as a consumer (CH2C). Similar ‘business’ sector persons are equipped with knowledge about customer needs, competitive strategies and trained to generate yields (and benefits).

All players need to deepen their understanding, that the social, artistic, economic, and even environmental valorisation of CH demands creating or improving so called “cluster businesses”. In the clusters the synergies between the players, integration of organisations from non-profit or the governmental sectors providing e.g. education or cultural work are some success factors.

Cases show that key players have in common a certain ‘hedonistic’ attitude, enabling them to serve and to achieve the overall target. They are usually equipped with extraordinary capabilities in a core discipline (e.g. history, business Administration, interested and able to understand other disciplines, willing to crosslink and motivate to serve others. The most successful cases are often implemented by gifted networkers.

A great challenge for the professional in the sketched new domain is to find adequate tools to be able to develop strategic plans, to achieve this appreciation of the heritage, taking into account the clearly quantifiable value elements and the intangibles that it has. The cases presented will develop business models for (sustainable) use of the built and tangible CH and of how to manage asset creation.

The existing cases, representing the shift from preservation to valorisation, show that all mentioned challenges lead to success once the new approach is applied and works.

3.1.3. REQUIREMENTS

Past or current experiences in preservation and/or valorisation of cultural heritage are very helpful. An educational background in preservation, history, business administration or management facilitates the participation in Module 3.

3.1.4. LEARNING OUTCOME

After having done this training module, you will gain

- a broader understanding of preservation as a valorisation process
- an overview on how goals linked to local and regional development can be reached in a holistic (“systemic”) way
- knowledge about how you can create advantages and win-win-situations for stakeholders with different interests
- understanding about the processes which enable valorisation.

3.1.4.1 KNOWLEDGE AND UNDERSTANDING

After having done this training module, you know and understand

- What **economy** could mean linked to cultural heritage preservation
- How (pure) market economy fails concerning the production and maintenance of **public goods (like e.g. a cultural heritage site)**
- **Possible solutions** for market failure concerning public goods and how to cope with it
- The importance and the general principles of **systemic thinking**
- Cultural heritage as part of **value creating clusters**
- **Induced profitability** which knowledge helps you to understand the challenges and the possibilities to valorise cultural heritage.

The Module imparts basic specialized knowledge and understanding concerning methods and tools to assess and improve alternative concepts for the valorisation of cultural heritage sites, objects (from buildings to paintings) and practices concerning

- System-environment models
- Value cluster models
- Regional economic impact analysis
- Sustainability (social, economic, ecological/environmental and cultural) indicators

3.1.4.2 COMPETENCES AND SKILLS

The Module imparts basic competences and basic skills for

- Site analysis – concerning the assets of the cultural heritage site itself and its systemic environment (possible partners for valorisation, socio-economic framework conditions etc.)

- Study of accessibility of cultural heritage site
- Market analysis – e.g. for user and investor markets of real estate or for cultural tourism
- Creation of an analysis of value chains
- Opportunities identification for the valorisation of cultural heritage sites
- Development of concepts for the valorisation of cultural heritage sites and practices – e.g. for adaptation, use, operation and financing
- Feasibility studies for concepts, valorising cultural heritage sites, objects and practices
- Improvement of business clusters
- Steering of innovation processes

3.1.4.3 JUDGMENT AND APPROACH

The didactic approach for Module 3 is constructivist didactic. Constructivism regards learning as an active process of constructing an individual worldview - here the possibilities to use and to valorise cultural heritage – are mainly based on the reflection of your experiences and experiences you gain during the work on the Module 3.

Based on these principles, the authors of the Module share their experiences with you and reflect them. Additional to this narrative part, links to mentioned cases are provided, basic terms defined, theories, methods and tools described and links for in-depth studies listed.

The overall target of Module 3 is a) to enable you to perform and to decide in certain situations, related to the valorisation of CH consciously and b) to enable you to reflect on your experiences and to continuously improve your behaviour.

In case you are a training provider, the transfer of the learning material to courses should be done according to the before mentioned:

- 1) Learners should get the possibility to gain experiences a) with help of a planning game, where they take over different roles or b) through tasks they have to deal with online or offline or (if none of the previously mentioned is possible) c) by sharing experiences/cases with them.
- 2) Learners should reflect their own experiences or the above-mentioned experiences with the help of a trainer.

The evaluation should measure accordingly a) the capabilities to act in certain valorisation situations consciously and b) the capabilities to reflect own experiences. The methods differ depending on the way the course is organised – online, blended, offline etc.

3.1.5. SUMMARY OF UNITS

Methodologically, the following learning content is based on narratives. Additional to this narrative part, which you will find on the left side of each page, definitions of basic terms, theories, description of methods and tools and links for in-depth studies and to mentioned cases are listed on the right side of each page.

Unit 1 introduces you to the term “valorisation”.

Unit 2 “About Economy and Cultural Heritage” is the attempt to introduce basic economic terms and to provide as well directly the meaning for the valorisation of CH.

Unit 3 “Valorisation of cultural heritage - the concept of appropriate use” distinguishes different values that CH possibly has, introduces the concept of “the right use” as the best way to preserve CH.

Unit 4 “Success Factors - the right players “around the table” is a core issue and a teamwork effort in the systemic approach to valorisation of CH.

The overall target of Module 3 is a) to enable you to perform and to decide in certain situations, related to the interdisciplinary valorisation of CH consciously and b) to enable you to reflect your experiences to improve your skills continuously.

The authors of this Module tried to make tacit knowledge explicit and share it. The narrative form of discussions and stories enables to link especially all “dry economic” theory to experiences made while dealing with CH as practitioners and researchers. We hope you enjoy it!

KARIN: KARIN Drda-Kühn (ACW) | DIETMAR: DIETMAR Wiegand (IPRE) | VERONICA: VERONICA Buey Cieslak (AEGPC) [Narrator]

3.2. LEARNING UNITS

The learning units of the cultural heritage valorisation are the following:

UNIT 1: Understanding the Term “Valorisation”

UNIT 2: about Economy and Cultural Heritage

UNIT 3: valorisation of CH - the concept of appropriate use

UNIT 4: success FACTORS - The right Players “around the table”

3.2.1. UNIT 1: UNDERSTANDING THE TERM “VALORISATION”

In the previous introduction you certainly noticed the term “valorisation”. If we stick to the simple definition of this word, valorisation is “to give or assign a value, especially a higher value”. But when it comes to cultural heritage preservation, admittedly, this can be a complex term.

Strictly speaking, it is a very young term in cultural heritage preservation for which there is still no common agreement on the meaning. Whether at national or European level, you will find different ways in which “valorisation” is understood and used. Above all, however, you will repeatedly experience the profound mistrust of the specialist sciences (mainly of the humanities) if the term is used without a clear definition. The valorisation is suspected of wanting to exploit the cultural heritage solely under commercial interests, which the traditional guardians of the cultural heritage like art historians, historians, archaeologists, and architects naturally oppose with all their might. In fact, this reflects the fundamental challenge with these sciences, which exist in parallel as “silos” and often “feel awkward” facing an interdisciplinary approach as propagated in this training.

It was not until 2014 that the European Commission clarified in its Communication 477: „The heritage sector must also adapt management and business models and develop new professional skills, working with authorities not through one-off isolated interventions, but by making the valorisation and preservation of heritage part of broader long-term development plans.... Therefore, a more integrated approach to heritage conservation, promotion and valorisation is needed to take into account its manifold contributions to societal and economic objectives” (European Commission, 2014).

In 2017, the "Brainstorming Report" (**“Towards an integrated approach...”**, 2017) of the "Voices of Culture" (initiated by the Directorate-General for Education and Culture) also explicitly and repeatedly formulated the need for valorisation models and interdisciplinary cooperation in cultural heritage preservation.

The term valorisation is in HERITAGE-PRO not only understood economically, but holistically. Basis for Module 2 in the following definition:

What we inherit from former generations and try to preserve for future generations has multiple values, that can and have to be preserved and developed by human activities, that range from new laws to the organisation of a festival. An approved way to group and to prioritise these values is the “Pentagon of public targets”, that distinguishes cultural, social, economic, spatial-environmental and political values.

All parts of the pentagon are interrelated. Activities in one sector or the omission of activities leads to potentially significant changes in other sectors. E.g.: improved touristic services at Schloss Schönbrunn in Vienna led to increasing number of visitors and more jobs and income there. The energetic refurbishment of historic buildings contributes to climate protection. Public investments in heritage sites can create infrastructure for film industry, hospitality business, IT startups or designers and finally again create tax revenues.

“Valorisation” should aim at improvements/positive effects in all five sectors of public interest and should not only measure but optimise significant external effects in all five sectors.

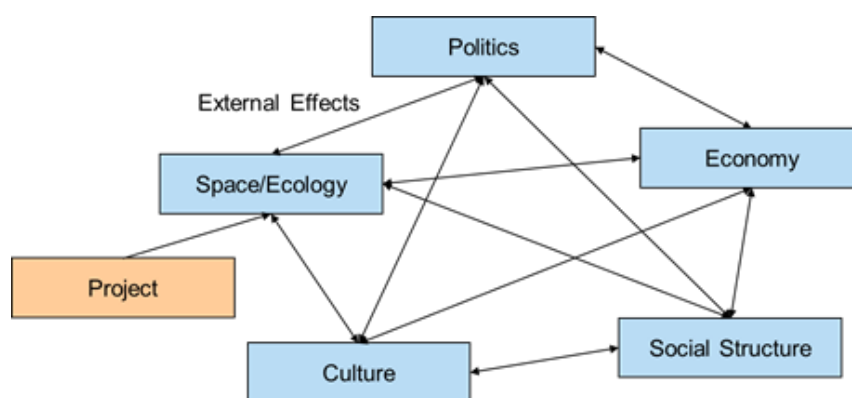


Figure 1: Pentagon of value aspects of public interest. Source: Univ.Prof. Prof. h.c. Dietmar Wiegand

The five sectors of public interest could be understood as follows:

- CH potentially has a cultural value; it documents history. The cultural value has to be deployed e.g. by somebody telling and explaining the history of that object or habit.
- CH potentially has a desirable social value; e.g. it can be “used” to create social cohesion in multicultural societies or become an objective in education and individual social development.
- CH potentially has a desirable economic value; e.g. It can lead to the creation of jobs and income e.g. in the film industry or be part of cultural-touristic offers by SMEs. The economic valorisation needs activities, e.g. in the domain of cultural tourism: improvements of the cultural touristic cluster and the access to offers.
- CH potentially has a spatial-environmental value; e.g. open cultural landscape with a specific biodiversity; due to the fact that ecosystems are nothing static, they might also need activities for their maintenance.
- CH potentially has a political value; e.g. it can be part of cosmopolitan development activated by citizens.

Other models attempting to structuring values of cultural heritage exist, e.g. introduced by Prof. Dr. A.R. Pereira Roders et. al.



Figure 2: Value model introduced by Prof. Dr. A.R. Pereira Roders et. al (Rodgers, A.R. Pereira, 2019)

All aspects of public interest can and should be measured and represented in figures allowing comparison or benchmarks. Possible levels of measurement or scales of measurements are according to Stanley Smith Stevens nominal, ordinal, interval and ratio¹.

Let's assume you are a cultural manager (or art historian, architect, geographer). You are excellently trained and have the knowledge and expertise of your discipline. However, you will very quickly discover (or have already discovered) that this knowledge is far from sufficient if you want to carry out a sustainable, cost-efficient and object-appropriate preservation measures.

The approach in this training is rather, how preservation measures can generate additional effects, i.e. added value and value chains for urban and regional development, the social life of the population, for (new) business fields and for employment.

¹ For more information: https://en.wikipedia.org/wiki/Level_of_measurement [Accessed 2 December 2019]

If you want to take all these aspects into account in heritage preservation activities, you need many different types of expertise and other forms of cooperation to bring them together. Do you doubt whether this is possible? Read on to find out how we have approached the issue and what good examples already exist that show that all these demands can be met. Precisely because the term "valorisation" is too often equated only with economic aspects, the following units gradually approach what corresponds to a systemic approach.

3.2.2. UNIT 2: ABOUT ECONOMY AND CULTURAL HERITAGE

Unit 2 is the attempt to introduce basic economic terms and to provide as well directly the meaning for actors and activities in the valorisation of CH. It is also an attempt to overcome misunderstandings and unhelpful stereotypes. Economy as a field of knowledge e.g. deals with the conscious and efficient use of resources like public finances or energy and not necessarily with commercialisation.

Narrators:

KARIN: Karin Drda-Kühn

DIETMAR: Dietmar Wiegand

VERONICA: Veronica Buey Cieslak

KARIN: Module 3 is about valorisation of CH, not only but also including "economic aspects" for training of heritage site managers. When the work on the Module started, a huge number of stereotypes and misunderstandings appeared. What are the reasons why an economic approach to CH leads to so many misunderstandings and why it is still so difficult to provide basic knowledge concerning the valorisation of CH, concerning CH site management?

DIETMAR: The original title of Module 3 was "Heritage preservation - a business field". Learning how to develop business plans in the field of preservation is interesting, but also misleading. Successful valorisation of cultural heritage sites is never achieved by one single company, but mostly achieved by a regional "cluster" of interacting private entrepreneurs, governmental organisations, citizen initiatives and so on. And the valorisation of heritage

Economy

Definition: "An economy is the large set of inter-related production and consumption activities that aid in determining how scarce resources are allocated. The production and consumption of goods and services are used to fulfil the needs of those living and operating within the economy, which is also referred to as an economic system." (**Kenton, W., 2019**)

Economics

Definition: "Economics is the social science that analyses the production, distribution, and consumption of goods and services. ... Economics aims to explain how economies work and how economic agents interact. ... Common distinctions are drawn between various dimensions of economics. The primary textbook distinction is between microeconomics, which examines the behaviour of basic elements in the economy, including individual markets and agents (such as consumers and firms, buyers and sellers), and macroeconomics, which addresses issues affecting an entire economy, including unemployment, inflation, economic growth, and monetary and fiscal policy." (**University of South Bohemia, 2019**)

Opportunity cost and choice:

sites we – the Heritage-Pro team – desire, is focussing on a sustainable valorisation in many areas - cultural, social, economic etc. Developing strategies where valorisation of Cultural Heritage (CH) creates infrastructure e.g. for creative industries or tourism is exciting. Creating positive effects like increased knowledge about a monument and jobs and income for local population is exciting. Finding, motivating and contracting the right partners is exciting.

Thus, the first proposed change was to make Module 3 a module concerning “economic” aspects of Cultural Heritage (CH). Economics helps to understand and improve the above-mentioned cluster of interacting organisations and it helps to increase positive effects like jobs and income.

Finally, basic knowledge and skills for the “valorisation of CH” became “core” of Module 3. This is a holistic or systemic approach, because valorisation is regarded from a cultural, social, economic, environmental and political point of view. And the focus is on the skills to create win-win situations in all mentioned sectors.

Starting point – at least for me - is to understand the challenges of maintaining CH under market economic conditions. According to macroeconomic theories e.g. the first district in Vienna, a UNESCO World Heritage, is a “public good”, that under “free market conditions” would relatively soon get lost and even though cultural tourism in Vienna. Macroeconomic explains why and provides us with a well-stocked toolbox of possible solutions. E.g. unfunded mandates – a law, that prohibits to destroy or change the historic buildings. Or the collective

Opportunity cost is an economic concept. It represents the loss of other alternatives when one alternative is chosen. It can be expressed in terms of money or time. For example, on a Saturday morning you can choose between different alternatives on how to spend your time. If you choose to go to a shopping mall, your opportunity cost would be all the other alternatives you have not chosen: eg. go to a museum, go to the mountains, etc. The same applies for money: the quantity of money you decide to spend on a product or service, e.g. on a ticket to go to the cinema, cannot be spent on anything else. That is your choice, and thus, your opportunity cost.

The opportunity cost of an activity is an element in ensuring that scarce resources are used efficiently, such that the cost is weighed against the value of that activity in deciding on more or less of it. (**University of South Bohemia, 2019**)

Market failure concerning public goods

Public goods are defined by the following two attributes:

- a) free riders cannot be excluded from consumption – e.g. an entrance fee for the first District in Vienna or the park in Schönbrunn/Vienna is either from a technical point of view not feasible or politically not desired.
- b) no rivalrous consumption – e.g.: after one person has regarded (consumed) Schloss Schönbrunn in Vienna from outside, thousand other persons can look at it the same day.

	Excludability from use	Non-excludability from use
Rivalry of Use	Private Goods Personal Goods Piped Water Supply	Common Property Clean Water Biodiversity Side Walks
Non-rivalry of use	Club Goods Toll Highway Computer Software Band Width TV or Mobile	Public Goods Public Sanitation Rural roads National Defense

Figure 3: Public goods based on Musgrave & Samuelson “Market failure regarding the provision of public goods” (**Swami, S., 2019**)

Under “free market conditions” (a theoretical construct) market player will neither produce nor preserve public goods, because the consumer does not compete for consumption and those who don’t pay for the consumption cannot be excluded.

action of privileged groups – e.g. the voluntary cooperation between property owners in the first district. Or the merging of free riders – e.g. an area development where one player organises cross-financing between different users...

Prisoners Dilemma, part of game theory, also helps to understand why individual land owners e.g. in the first district of Vienna (UNESCO World Heritage) would under unregulated market economic conditions destroy the structure of the district, by decision making that is logic from their individual point of view.

For each individual land owners it makes sense to disrespect the historic height of the buildings and use cheaper materials than the historic one, assuming the neighbour will do the same. And likewise do Dave and Henry the two bank robbers in the Prisoners Dilemma. Caught by the police and interrogated in separate rooms; they blame each other instead of being silent and end up both in prison for years – in total the worst result for both of them.

Prisoners dilemma is an example for negative externalities by individual behaviour. It explains why land owners need and want planning and laws, that protects their investment from negative externalities.

In practice preservation and the appropriate use of CH very often combines private/profit-oriented activities with citizen/non-profit and governmental engagement.

VERONICA: ...there are so many types of CH; CH means so many things. CH is a wide concept, it can be tangible or intangible, it ranges from large historic buildings to a small single painting. So when we

Possible solutions for public goods:

Governmental provision – e.g. Hofburg and Schloss Schönbrunn in Vienna remain state property, because a private owner would have all the costs and “society” only the benefits. Maintenance will be financed by taxes if no other sources like entrance fees are available.

Unfunded Mandates

... e.g. law for monumental protection

Assurance contracts

... e.g. crowd funding for CH

Government subsidies and joint products

... Metro, e.g. “Halland projects” in Sweden, where CH preservation of more than hundred historic monuments and site was co-financed by the minister of labour by a program for employed construction workers.

Merging of free rider

... e.g. Developer purchasing as much apartments as possible in a neighbourhood before upgrading it; also: keeping ownership for the valorisation of an area [e.g. industrial heritage] in one hand

Collective action of privileged group

... e.g. Linux; to a certain degree National Trust UK

Introduction of an exclusion mechanism

... e.g. patents; entrance fee for a castle or a park

Social norms

... e.g. “don’t throw waste on the floor” in schoolbooks; elementary book/manual for owners of [not listed] historical buildings; publication of best practice concerning preservation of historic buildings

Prisoners Dilemma

The prisoner's dilemma is a paradox in decision analysis in which two individuals acting in their own self-interests do not produce the optimal outcome. The typical prisoner's dilemma is set up in such a way that both parties choose to protect themselves at the expense of the other participant. As a result, both participants find themselves in a worse state than if they had cooperated with each other in the decision-making process. The prisoner's dilemma is one of the most well-known concepts in modern game theory.

talk about ‘valorisation’ of CH, it basically means becoming aware of the value of the cultural asset, not only from a historical or artistic point of view but from the many possibilities it opens in a variety of areas. For example: it acts as a magnet for visitors, professors, students, researchers, film makers, etc., it becomes a brand for the place where it is located, it is an inspiring element and fosters creative spill-overs, it can be part of a larger network of cultural assets connected by a common characteristic, etc.

KARIN: Why it is so important to be precise when using economic terms and why to distinguish different types of CH? Our target group for this training are practitioners; they may not want to occupy themselves in depth with economic theories?

DIETMAR: Abstract terms and models represent reality – when reflected - they lead to a conscious action. Let’s have an example: Movable and immovable CH - Mona Lisa and Schönbrunn castle in Vienna.

Mona Lisa can be moved and presented nearly everywhere. Valorisation does not or not much depend on a site and the development of the site.

Immovable CH like Schönbrunn castle or the wonderful wooden churches in Romania depend very much on the development of the site, their spatial, economic, social, cultural and political environment. And surely the conditions for valorisation are different in Vienna and in rural areas of Romania.

Another example: I was in many discussions confronted with ‘CH is endangered when it becomes a commodity’. This statement is at

The classic prisoner’s dilemma goes like this: two members of a gang of bank robbers, Dave and Henry, have been arrested and are being interrogated in separate rooms. The authorities have no other witnesses and can only prove the case against them if they can convince at least one of the robbers to betray his accomplice and testify to the crime. Each bank robber is faced with the choice to cooperate with his accomplice and remain silent or to defect from the gang and testify for the prosecution. If they both co-operate and remain silent, then the authorities will only be able to convict them on a lesser charge of loitering, which will mean one year in jail each (1 year for Dave + 1 year for Henry = 2 years total jail time). If one testifies and the other does not, then the one who testifies will go free and the other will get three years (0 years for the one who defects + 3 for the one convicted = 3 years total). However, if both testify against the other, each will get two years in jail for being partly responsible for the robbery (2 years for Dave + 2 years for Henry = 4 years total jail time).

In this case, each robber always has an incentive to defect, regardless of the choice the other makes. From Dave’s point of view, if Henry remains silent, then Dave can either co-operate with Henry and do a year in jail, or defect and go free. Obviously, he would be better off betraying Henry and the rest of the gang in this case. On the other hand, if Henry defects and testifies against Dave, then Dave’s choice becomes either to remain silent and do three years or to talk and do two years in jail. Again, obviously, he would prefer to do the two years over three.

In both cases, whether Henry co-operates with Dave or defects to the prosecution, Dave will be better off if he himself defects and testifies. Now, since Henry faces the exact same set of choices he also will always be better off defecting as well. The paradox of the prisoner’s dilemma is this: both robbers can minimize the total jail time that the two of them will do only if they both co-operate (2 years total), but the incentives that they each face separately will always drive them each to defect and end up doing the maximum total jail time between the two of them (4 years total). (Chappelow, J., 2019)

Externalities:

We talk about **positive externalities** when the production or consumption of a product or a service indirectly benefits other parts of society who are not involved in the process.

least misleading. When we again have a look at the first district in Vienna. Free riders, those who do not pay an entrance fee or taxes, cannot be excluded from consumption and consumption is non rivalrous – first district is still there, after thousands of tourists looked at it. The problem is that it is not a private good, a commodity; it is by nature a public good. Unfunded mandates will protect the first district in Vienna, the owners will profit anyway. Unfunded mandates will not work in rural areas, where interest to invest is low. The knowledge of these basic economic terms and theories help to act conscious, help to develop appropriate strategies for the preservation and reuse of CH.

Negative externalities, on the other hand, occur when individuals bear some of the cost of a good's production without having any influence in the process. For example, the refurbishment of a castle that was in ruins before and now attracts tourists, benefits the hotels in the surrounding area, as the visitors need a place to stay. (**Positive externality, 2019**)

Scarce and rare goods

We call it “scarce good” or “scarce resources” when a resource (product or service) has limited availability but the demand is high, they are desired but not plentiful. The immediate consequence of a high demand but a low offer is that prices rise. For example, the shortage of gasoline in oil crisis causes price rises. Or if there is a reduction in the number of trained actors, for instance if acting schools reduce their admission numbers, qualified actors will be paid more for their services. (**Iossifova, D., 2013; Einarsson, A., 2016**)

“Mona Lisa” ... is THE example for a “rare” good. There is only one! Gallium is a rare good, an element, necessary for production of LEDs. Only a few kgs exist in the world.

Most of the goods like e.g. clean water and petroleum are scarce – more demand than availability! E.g. 19th century villas of manufacturers might be from a preservationist point of view a scarce good. It might be appropriate to protect some of them, but not all.

Further meaningful ways to distinguish CH

In terms of the characteristics of CH we can distinguish between tangible or intangible CH, or as it is also called, immaterial or material CH.

Tangible CH

As defined by the UNESCO: “tangible heritage includes buildings and historic places, monuments, artifacts, etc., which are considered worthy of preservation for the future. These include objects significant to the archaeology, architecture, science or technology of a specific culture. For example an historic building, a monument, a painting, a collection, etc. are tangible heritage.

Intangible CH

As explained by the UNESCO, “Cultural Heritage does not end at monuments and collections of objects. It also includes traditions or living expressions inherited from our ancestors and passed on to our descendants,

	<p>such as oral traditions, performing arts, social practices, rituals, festive events, knowledge and practices concerning nature and the universe or the knowledge and skills to produce traditional crafts”. For example the Kaffeehauskultur in Vienna, the folk dances from the Basque Country or the processions of the Holy Week in Popayán (Colombia).</p> <p>It is important to point out that intangible CH is fragile in its protection and dissemination and it needs a physical media to show and enhance its value, to make it visible to the society. For example, performing arts need a scenario to be played and shown to the public, video and audio recordings support its conservation. Digital records and archives are necessary to ensure the transfer to the next generations and to prevent the loss of immaterial CH.</p> <p>It is also useful to classify CH in terms of its mobility, thus:</p> <p><u>Movable CH</u> According to the ICOMOS definition: “Moveable heritage is a term used to define any natural or manufactured object of heritage significance. It does not include archaeological relics found underwater or underground”. The fact that a cultural heritage asset is moveable increases its fragility. Its portability exposes this asset to a multiplicity of owners, in the course of the years it can be sold, moved or even destroyed. These facts make it vulnerable to dispersion, loss, damage, transformation or theft. Moveable CH assets are for example paintings, moveable statues or objects.</p> <p><u>Immovable CH</u> Immovable CH refers to elements of heritage significance that cannot be transported, like buildings, settlements or landscapes. Examples for immovable CH: Schönbrunn castle in Vienna, the Akrotiri archaeological site in Santorini or the Lascaux prehistoric cave.</p> <p>Valorisation of CH is possible nearly everywhere, but needs tailor-made concepts, respecting the conditions on-site. (Unesco, 2019; NSW Government 2019; Jokilehto, J., 2005)</p>
<p>KARIN: How important is CH for human beings, compared with food, safety and so on?</p>	<p><u>Maslow’s hierarchy of needs</u></p>

DIETMAR: I still remember my Professor for Urban Design Tom Sieverts talking about the time directly after the end of second World War. One of the first buildings reconstructed in the western part of Germany were the churches, even though people were suffering from hunger and cold, because their homes were destroyed or damaged. And I personally remember the emotions of inhabitants of Dresden when 2005 the completion of the reconstruction of Frauenkirche was celebrated. So many people came, so many were crying. Moreover, so many volunteers working for the National Trust in UK. These are hints, that CH is something we can't live without – a need, like food. May be generations y and z are different or their understanding of CH is different.

A contrary example can be found in Dresden, where the World Heritage Committee decided to remove the Elbe Valley from UNESCO's World Heritage List to build a four-lane bridge in the heart of the cultural landscape, which meant that the property failed to keep its "outstanding universal value as inscribed." Due to needs for more efficient transport, inhabitants of Dresden decided to vote in favour of building a bridge, rather than preserving CH value.

Abraham Maslow proposed in 1943 a theory in psychology in which he classified human needs as shown in the figure:

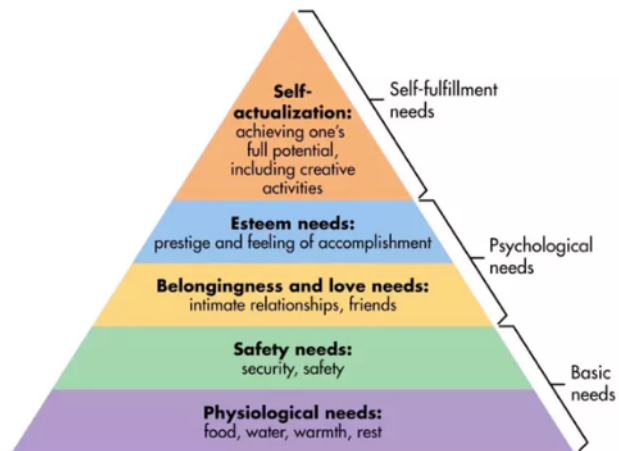


Figure 4: Maslow's Pyramid (McLeod, S. 2020)

The pyramid is read from bottom to top. Humans need to satisfy first their basic physiological needs before they can attend their safety needs. Once their basic needs are fulfilled, they can search to accomplish the needs of belongingness and love, and so on. This is called the "hierarchy of needs".

Hierarchy of needs:

Needs lower down in the hierarchy must be satisfied before individuals can attend to needs higher up. From the bottom of the hierarchy upwards, the needs are: physiological, safety, love and belonging, esteem and self-actualization.

This five-stage model can be divided into deficiency needs and growth needs. The first four levels are often referred to as deficiency needs (D-needs), and the top level is known as growth or being needs (B-needs).

Needs, Wants and Demand

Need - necessities, the things you can't live without.

Want - Things without which you can live but those make your life easier, in economics, you get a higher level of utility consuming them.

Demand - In economics, demand is willingness and ability to pay for a quantity of a good at various prices. It is an expression of needs and wants, but your budget is also taken into account as it is presumed that you have a fixed budget and you can act according to that only.

	Demand is related to budget, so the amount you buy decides your level of utility depending on your budget.
--	--

3.2.3. UNIT 3: VALORISATION OF CH – THE CONCEPT OF APPROPRIATE USE

Unit 3 introduces the concept of the “right” use as the optimal contemporary approach to preservation of CH, taking account of the diversity of Cultural Heritage types. Unit 3 shows how and why the different value-aspects of CH can and need to be developed simultaneously and in an integrated manner while applying ‘The Pentagon of values aspects of public interest’ introduced in Unit 1. Unit 3 introduces a wholistic “systemic” approach to valorisation of CH.

Narrators:

KARIN: Karin Drda-Kühn

DIETMAR: Dietmar Wiegand

VERONICA: Veronica Buey Cieslak

KARIN: You, DIETMAR, propose a systemic approach to the valorisation of CH; what does that mean?

DIETMAR: Two things are important:
First, the process of valorisation of CH is undertaken by human beings, often integrated in an organisation, that has a certain structure, certain capabilities, certain interests etc. Second the process must be managed to achieve a certain target. And Management means design, steering and development of so-called socio-technical systems. The consequence is, that valorisation of Cultural Heritage means design, steering and development of so-called socio-technical systems.

And in the context of valorisation of CH we have different socio-technical systems. In the project phase:

- the **project organisation** itself - our own team, our partners
- the project relevant political, cultural, economic,

In Module 2 there is a detailed explanation of **systemic thinking** and the basic **principles of system engineering**. Let's mention the most important keywords and processes one more time.

Systemic thinking:

- Whole and parts
- Interconnectedness
- Openness
- Complexity
- Order/Organisation
- Control/Steering
- Development

Principles of systems engineering:

- From rough to detailed
- Thinking about alternatives
- Structuring in phases
- Problem solving cycles

Principles of systemic management:

- Design
- Steering
- Development

Of target-oriented socio-technical systems, e.g.

Challenges in of interdisciplinary project teams:

- Teams in temporary project organisations
- Personal skills and attributes
- Learning processes

Halland Project/Halland Model:

<p>social, special/ecological environment, including all stakeholder groups</p> <p>In the phase of operation:</p> <ul style="list-style-type: none"> the already mentioned “value cluster” of commercial, governmental and citizen organisation, that creates values, e.g. CH becomes infrastructure for film industry or touristic offers. the local population, that benefits from the valorisation of CH e.g. through jobs and income, improved local assets etc. or does not benefit! <p>Concerning the effects of valorisation projects on the local population- I propose to collect and group values and targets of public interest using the “Pentagon of public targets”, that we already introduced. The five corners are culture, social ‘structure’, economy, space/ecology and politics. Alternative concepts for the valorisation of CH can be assessed concerning their external effects/their externalities on the target collected in the pentagon.</p> <p>Whenever we talk about “valorisation” we mean improvements/positive effects in all five sectors of public interest.</p> <p>The “Halland projects” or the “Halland Model” show impressively how systemic thinking enables valorisation of CH. Building conservation was organised in concert with labour market policy and the construction industry, aiming at regional sustainable development. In a time of massive unemployment in the construction sector an enormous state budget</p>	<p>Gustafsson, C. (2009): “The Halland model: a trading zone for building conservation in concert with labour market policy and the construction industry, aiming at regional sustainable development”</p> <p>Presentation about the topic: http://www.changes-project.eu/wp-content/uploads/2016/01/2016_05_26_Monza_Gustafsson.pdf</p> <p>Ferilli, G., Gustafsson, C., and Sacco, P.L. (2017) Cognitive Keynesianism: Heritage conservation as a platform for structural anti-cyclic policy. The case of the Halland Region, Sweden</p> <p>Buscema, M., Ferilli, G., Gustafsson, C., and Sacco, P.L. (2017) The Complex Dynamic Evolution of Cultural Vibrancy in the Region of Halland, Sweden</p> <p>Download links see in 3.7. References</p>
---	---

<p>for labour market measure was used since end of the nineties to recover and valorise more than 100 buildings of historic value. Our Heritage-Pro partner Christer Gustafsson was one of the driving forces in that process – as a manager of a museum at that time.</p> <p>The Halland projects are not only impressive because so many monuments could be preserved and financing could be allocated by the ministry of labour. They are so impressive, because most of the buildings still have the use that they have been renovated for. After fifteen or twenty years they are still well maintained and in many cases the use had and still has positive effects e.g. on the regional economic and social development. The team was able to identify and implement an appropriate use for these buildings. A bath remained a bath. A warehouse became a centre for creative industries including a business incubator and so on.</p>	
<p>KARIN: Interesting that you mention the “appropriate use”. One of your key statement in discussions about CH is, that “an ‘appropriate’ use is the best way to protect and to valorise CH”? What do you mean by that?</p> <p>DIETMAR: Preservation of cultural heritage actually experiences a radical shift from a focus on “right preservation” and state funding to a search for an “appropriate use”, for citizen engagement and financing amongst others by the users.</p> <p>The reasons for that shift are manifold. Problems of national states to generate tax income,</p>	<p>An increasing number of impressive cases show, that to organise an appropriate use of cultural heritage is from many points of view the “best” way to preserve cultural heritage:</p> <ul style="list-style-type: none"> ▪ it stimulates private investments in cultural heritage and saves money and other resources from the governmental and the intermediary sector. ▪ CH in many cases serves directly as infrastructure for businesses or creates via induced profitability positive social and economic effects like creation of small and medium enterprises, jobs and income, improved local assets or increased local investments. <p>What is a value chain?</p> <p>A value chain is a theoretical model that describes all the processes and activities that a company needs to produce a good or a service. It covers from the very preliminary phases, such as the design and creation of the product, or the supply of the</p>

when corporations act global is surely one of them.

Another aspect is, that an appropriate use, e.g. film industry using the castle, potentially creates jobs and income. The preservation, the so called “upstream” in the value cluster, creates jobs, tax income etc. once. An appropriate use potentially creates jobs and income for the local population and tax income after the renovation continuously. The film industry – it is just an example – is the so called downstream in the value cluster.

This requires new management models, new forms of financing, new professional profiles, and trained entrepreneurs to position themselves in a competitive environment. New players - new organisations and new personalities - enter the scene, able to find and manage an appropriate use, able to valorise cultural heritage for related businesses like film industry or cultural tourism. Case studies show successful organisations from the public, the intermediate and the private sector.

KARIN: Veronica, what is your opinion, your position concerning the concept of an appropriate use?

VERONICA: According to “UNESCO Guidelines on Cultural Heritage”, the management of cultural heritage assets implies to put conservation and protection of this heritage at the forefront. Therefore an “appropriate use” of CH does not endanger the integrity or put in jeopardy the preservation of the assets for present and future generations.

raw materials needed to make it, etc., to the after-sales services and the support activities such as marketing, promotion, advertising, human resources, etc.

Example of Michael Porter's value chain

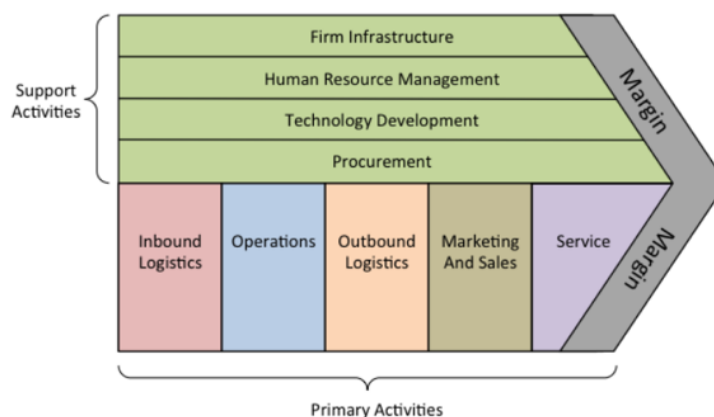


Figure 5: Porter's value chain (*Business Set Free Ltd., 2013*)

Michael Porter listed in his example of value chain the nine activities that are found in most businesses:

- Firm infrastructure
- Human resources management
- Technology development
- Procurement
- Inbound logistics
- Operations
- Outbound logistics
- Marketing and sales
- Service

It is important to bear in mind that a value chain is a sequence of activities during which value is added to a new product or service as it makes its way from invention to final distribution' (**Botkin and Matthews, 1992, p. 26**). There are notable benefits of adopting this approach, as it departs from more traditional sectoral analysis (as the ones based on the delimitation of a sector or market according to activity register codes).

Value chain analysis includes the analysis of all the actors that conform the ecosystem of an activity, along with their interrelations. It is considered that all those parties involved contribute in different extends to the creation of economic value.

Concept of creative value chains and how they differ from “industrial” or “commodities” value chains:

"creative value chains consist of an initial creative idea, which is usually combined with other inputs to produce a cultural work, which then moves through a series of interlinked stages before it reaches the final consumer. Within one value chain analysis, all relevant activities and actors that play a role in the creation, production, dissemination, exhibition and preservation

Conservation for an appropriate use is not limited to physical intervention. It also includes for example the interpretation and sustainable use of the CH. Besides, protecting CH to guarantee an appropriate use of it, entails a dynamic process and an interdisciplinary team. Any conservation measures and interventions have to be carefully elaborated and implemented considering that the cultural heritage values are of public interest. The use of cultural heritage law, regulations and other legal instruments or technical tools in the protection of cultural heritage process are justified to protect that public interest.

of the creative product or service should be analysed, as well as the interrelation between those actors.

However, the concept of (economic) value creation is not always as straightforward in creative value chains, as it is in many industrial value chains. This is the case, for example, in the subsector of cultural heritage“(EU publications, 2017, pp.36.)

Analysis of value chain:

Economics define the term „value added“ as the difference between the turnover of a company and the launching costs for material and services of third parties (**Samuelson and Nordhaus, 1998**)

Value added in Real Estate Development (RED):

- Value added of the property/income from sale
- Income from letting and renting

Value added in Corporate RED:

- (easy) operating of core business at low costs + see above

Value added in/objectives of Public RED:

- Sustainable creation of infrastructure

However, some authors claim, that as Porter's value chain was inspired in manufacturing processes it does not completely apply to Cultural and Creative Industries and have developed their own models. A good example is Culture Creative-Based Value Chain.

Additional readings:

www.businesssetfree.com

Horng SC., Chang AH., Chen KY. (2016)

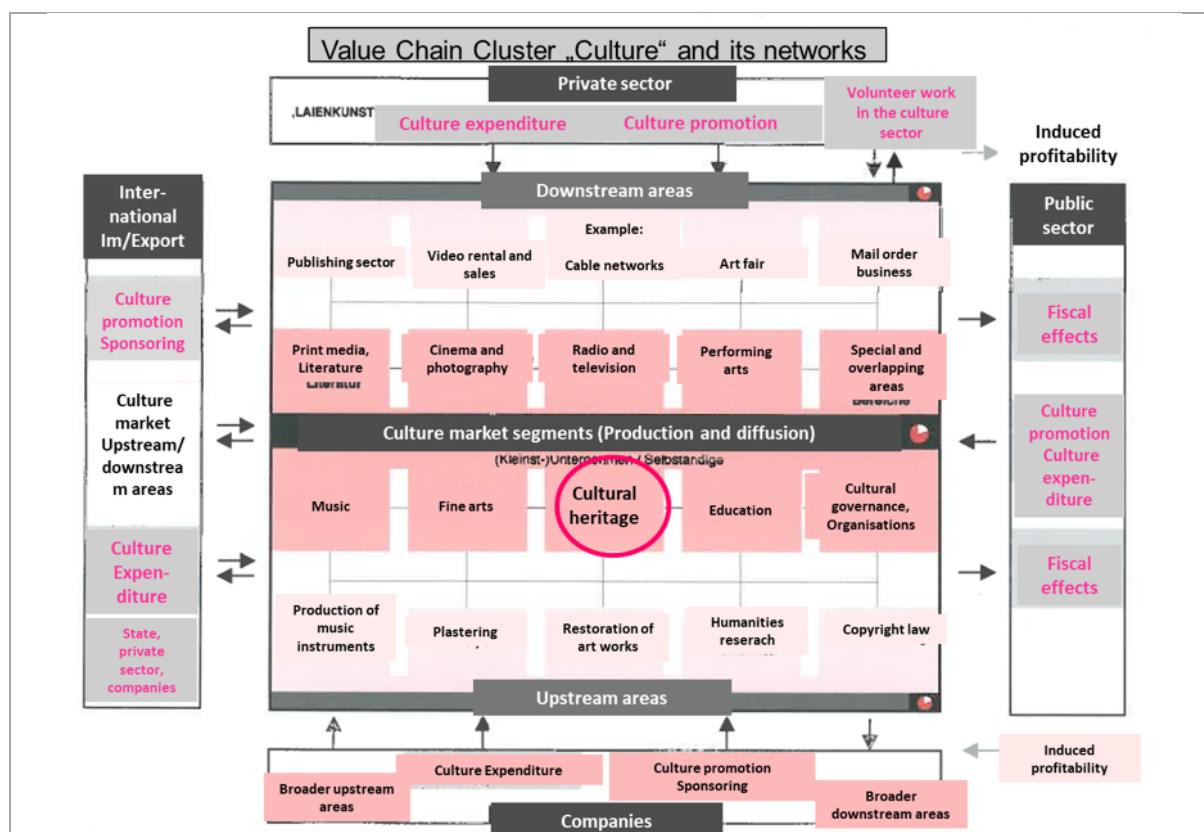


Figure 6: Value chain Cluster and its networks
(Rütter, H., Berwert, A., Vouets, V. 2000 – Tranlated by Wiegand, D.)

KARIN: Veronica, you distinguish different values, e.g. intrinsic values, could you specify that a little bit more?

VERONICA: Yes, when we talk about valorisation of cultural heritage, this can be a very confusing concept because of the value of cultural heritage. We have to distinguish between intrinsic value of cultural heritage, meaning it's a common memory, it's a common history for a group of people, for society, it's an intrinsic value, it has a value for itself. But then, when we talk about what would be instrumental value, which means what is cultural heritage useful for, then again we can distinguish between... a social value, meaning cultural heritage helps us create social cohesion or intercultural exchange, an intergenerational dialogue, an identity for the territory, but then

of course we have the economic value that cultural heritage assets produce. And when we talk about economic value it's understood it can take the shape of tourists, but also the academia, the training industry, and the researchers, it can take the form of different sources of income. So, for me it's important to set the ground for this different kind of valorisation when we talk about valorisation of cultural heritage.

DIETMAR: I think the targets of a valorisation process from a public point of view have to be defined, they are not god-given and they should be discussed and written down and should be prioritized.

VERONICA: Because once the decision is taken, then you need to put an investment to launch the valorisation of a cultural heritage asset, right? So, then you have to decide, who is going to invest in launching and putting this cultural asset on the map.

DIETMAR: I think, valorisation in general needs human activities, either it could be an investment, or it could be voluntary work or ideas, developing ideas, bringing people together. So I think any valorisation needs human activities and the discussion about who is going to do it, who is going to explore the cultural heritage site more in detail, who is going to develop the idea of an appropriate use of the cultural heritage site, who is going to answer the question who could benefit from the assets that are already there, it is not always clear who does that. And it leads us to the question, who are the players that are able to valorise cultural heritage sites.

VERONICA: So before doing anything, we have to ask ourselves: Is it worth doing anything for this cultural asset or not? Why should we do it or not do it? And who is going to benefit and who needs to get involved in the process, right?

DIETMAR: ... the more players share the same targets, the better it is. Valorisation means creating a win-win situation, because all the players, that participate in a valorisation project, participate mainly voluntarily, so they have to be convinced and they have to profit in one way or another from the valorisation process.

3.2.4. UNIT 4: SUCCESS FACTORS - THE RIGHT PLAYERS “AROUND THE TABLE”

“The right players around the table” is a core issue in the systemic approach to valorisation of CH. Valorisation of CH is a teamwork effort and thus selecting and gathering the right people around the table and motivating them to work for the valorisation of CH is crucial.

KARIN: Dietmar, you mention very often that “the right people around the table” is one of the key factors for successful development projects, also concerning valorisation of CH. What do you mean by that and is that evidence based?

DIETMAR: When I asked my friend Karl Giger, a very successful hotel developer, what a successful development needs, the first aspect he mentioned was: “The right people have to sit around the table”. Some years later, when we did case study research on about 30 different de-

Public sector (state/government)

Definition: ... is the part of a country's economy which is controlled or supported financially by the government. (**Collision Dictionary, 2019**)

Examples for organisations:

„Generaldirektion Kulturelles Erbe Rheinland-Pfalz“
MuseumsQuartier Errichtungs- und BetriebsgesmbH
Municipal Institute of Barcelona Markets

Cases:

Museumsquartier Wien | <https://www.mqw.at/>
Market Halls Barcelona | <https://ajuntament.barcelona.cat/mercats/en/canal/model-mercat-barcelona>
Titanic docks, Belfast | <http://www.titanicdock.com/>

Private/Profit oriented sector (market):

velopment projects, mainly valorisations of cultural heritage sites, it became evident, that Karl Giger's sentence is absolute correct and meaningful for cultural heritage site development. And the consequences for cultural heritage site managers are manifold. To have the right people around the table, the necessary capabilities have to be known – not easy –, a big address book with people who have these capabilities is needed – a several years project-, skills for contracting and for the creation of incentives are needed.

The principal agent theory is very helpful to understand what Karl meant and for the continuous improvement of our personal skills and behaviour.

Another finding of our case studies was, that good projects – “good” concerning public interests - are owned by players from different sectors - public, private and intermediate. E.g. the valorisation of the Market Halls in Barcelona – developed by the municipality. E.g. Museumsquartier in Vienna – developed and managed by a state company. We find brilliant projects like Baumwollspinnerei in Leipzig, developed and are operated by MIB AG, a private company, where they converted an industrial heritage site into a place for artists and entrepreneurs. We also find interesting and very successful projects from the intermediate sector – organisations neither state nor private sector. National Trust in UK, maintaining and using e.g. about 380 castles is an impressive example of an intermediate sector.

Definition: *The private sector is the part of the economy that is run by individuals and companies for profit and is not state controlled. Therefore, it encompasses all for-profit businesses that are not owned or operated by the government. Companies and corporations that are government run are part of what is known as the public sector, while charities and other non-profit organizations are part of the voluntary sector. (Chappelow, J. 2019)*

Examples for organisation:

MIB AG (Real Estate developer specialised on developments integrating CH and/or creative industries)
<https://www.mib.de/projekte/>

Cases:

Baumwollspinnerei Leipzig | <http://www.spinnerei.de/>

3rd sector (“intermediate”/non-governmental/non-profit organisations)

Definition: *The ‘third sector’ is an umbrella term that covers a range of different organisations with different structures and purposes, belonging neither to the public sector (i.e., the state) nor to the private sector (profit-making private enterprise). organisations belong neither to market nor to state; tax advantages and rules according to national regulations; often: can make profit but are not allowed to distribute profit to shareholders.*

Example for organisation:

National Trust (UK)

Example for case:

See: National Trust (UK)
<https://www.nationaltrust.org.uk/search>

Principle agent theory (PAT):

PAT is a so called “contract-theoretical” organisational concept - helps at the end to design deal structures and contracts. PAT behavioural model, which emphasises individual utility maximisation, information asymmetry, conflicting interests and risk affinity of the stakeholders

Principal-agent problems based on information asymmetry and conflicting interests:

„hidden characteristics“,
 „hidden information“,
 „hidden action“ and
 „hidden intention“.

Hidden characteristics (ex antes)

Agent hides relevant characteristics
 Result: Adverse Selection

KARIN: Do you have a different experience Veronica or the same?

VERONICA: In my experience as a Cluster Manager, this idea of the triple helix² as we call it, is the same; it includes: public administration, private companies and academia. We can also call it the quadruple helix when we add society, the intermediate sector, it could be associations or foundations, NGOs or any kind of citizens participation. As you said, you can support, you can contribute to cultural heritage valorisation in different kinds. You can do it by giving money, investing, but also volunteering or with work or with new research. So different actors with different profiles and different backgrounds are going to give support with complementary and different kinds of contributions. Remember the success story of the city of Bilbao (**Power, A., 2016**). The city of Bilbao has been transformed in the last, I would say, 25 years, or maybe 30 years, from an industrial city with social problems and terrorism, to a creative cultural city. That was teamwork from the public administration, the private companies and the citizens and this kind of intermediaries that you mentioned: the different NGOs and associations of creatives and artists. And together they really built a plan to transform the city, and they succeeded. They put in place 25 cultural projects, the most important of them was building the Guggenheim Museum, but there were other smaller projects. All together, they have really changed the shape of Bilbao as a city. So yes,

Solutions:

- Signalling (agent provides information e.g. concerning his resources, experiences etc.)
- Screening (principal tries to get more relevant information concerning the agent)

Hidden information (ex post)

Principal can monitor actions of Agent, but has less information

Hidden action (ex post)

Principal can monitor results, but not action of Agent

Hidden intention (ex post)

Principal can monitor action of Agent (e.g. moral hazard), but cannot stop it.

Result: Moral hazard.

Solutions for ex post problems:

Information systems – make things transparent reduces chances for opportunistic behaviour (moral hazard).

Social norms – create and control social norm and punish „wrong“ behaviour

> negative impact: no incentives

Incentives – motivate Agent to perform according the interest of Principal

Functions:

* motivation of Agents

* selection (of motivated and “good” Agents)

* coordination (teamwork)

> pos.: uses the self-interest of Agents

Triple Helix

Cluster organizations foster innovation and competitiveness at regional level. We call them triple helix clusters because they create networks and encourage the setup of common projects between business partners, academia and public administration.

Quadruple helix

The quadruple helix cluster includes a fourth element: society, i.e. citizens' participation.

Michael Porter's Diamond Model

“Michael Porter's Diamond Model (also known as the Theory of National Competitive Advantage of Industries) is a diamond-shaped framework that focuses on explaining **why certain industries within a particular nation are competitive internationally**, whereas others might not. And why is it that certain companies in certain countries are capable of consistent innovation, whereas others might not? Porter argues that any company's ability to compete in the international arena is based

² Stanford University, Triple Helix Research Group, https://triplehelix.stanford.edu/3helix_concept [Last accessed 29 April 2020].

I agree with you, it's a question of combining profiles.

DIETMAR: I totally agree and it's wonderful that you already mentioned the term "**Cluster**". Michael Porter already found out in the eighties that businesses are not only successful because they have better access to cheap resources and cheap labour force, they're successful because they are located in a region with an interesting cluster of competing businesses, universities and leading industries. So, the quality of the cluster is one of the factors that make companies successful. We found out in our research and in our case studies that successful valorisation projects take place in appropriate clusters where the public sector could be university, could be public funding and state companies and private companies and civil society organizations gather around the table and produce at the end an interesting offer, e.g. for tourists or for creative industries or film industry or whatever.

That is the players have to be able to be innovative and to find a competitive advantage compared with other regions and other offers and be able to execute the project. One of the **success factors** is the "completeness of capabilities" in the team. All necessary capabilities for the cultural heritage site valorisation have to be available. If only one of the necessary competences is missing it endangers the whole project.

The **quality of a cluster** also means that companies offering the same are competing because it puts a pressure on them to be innovative and that also helps the whole region and other businesses to be successful. The

mainly on an interrelated set of location advantages that certain industries in different nations possess, namely: **Firm Strategy, Structure and Rivalry; Factor Conditions; Demand Conditions; and Related and Supporting Industries**. If these conditions are favourable, it forces domestic companies to continuously innovate and upgrade." (**Porter's Diamond Model, 2019**)

These forces are related and keep processes, companies, nations on the continuous growing, upgrade and necessary innovation.

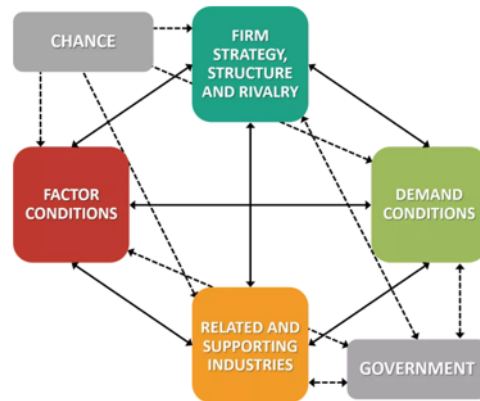


Figure 7: Porter's Diamond Model of National Competitive Advantage [See references, accessed 20 June 2019]

Cluster Theory

A differentiation is made in the literature between three forms of clustering (**Michael, E. 2007**)

1. Horizontal clustering: the co-location of competing companies operating at the same stage in the value chain, for example, hotels that cooperate with each other
2. Vertical clustering: the co-location of companies operating at different stages of the value chain, for example the automobile industry and its suppliers
3. Diagonal clustering: cooperation between companies and the creation of a pool of previously separate products and services that the consumer perceives as one product.

Value chain cluster

"The value chain concept covers the interrelated stages of product manufacturing, processing, trading and retail or exports. Within the context of private sector promotion in developing and transition countries, the value chain approach aims to improve the access of businesses to value chains and their position within such chains through targeted promotional measures. The aim is to strengthen their economic position by

power of networks was one of the terms you used.

VERONICA: Yes I was going to add something to what you were saying when we were talking about these different profiles, we have to bear in mind that each of them is contributing with a different background. When you move from academia for example to business, imagine that you move from working in a university, in an academic environment, to a business, to a private company. The way people work is totally different, the backgrounds are usually different, the objectives are different. When you put people from different profiles to work together, the team becomes much richer. So when we do it for cultural heritage, as you said, people from public administration will perhaps be more experienced in social benefits, social cohesion, intercultural dialogue... this kind of subjects, or on regional profitability, etc.. People from academia will be probably more interested in doing further research concerning this cultural heritage asset and contributing with new papers, new discoveries or even new exchanges with other researchers from other parts of the world who have similar interests. People from private companies would be probably more concerned about profitability, but also about cutting-edge technology or the user experience, on applying immersive technologies to create a better user experience for the visitors and things like that. It's really like a puzzle that combines different pieces enriching one another.

DIETMAR: It needs a person who is enthusiastic enough to put

ensuring ways of adding more local value, diversification into higher-value products, quality management and secured market access. The point of entry is the use of small producers' competitive advantages in labour-intensive and niche products.

One way of strengthening the performance and competitiveness of small producers and downstream businesses in a specific region is cluster development. Typically, clusters consist of a geographical concentration of companies (producers, suppliers, specialised service providers etc.) operating within the same sector or related sectors. Cluster development aims to improve the performance and efficiency of the sector as a whole. This involves measures promoting cooperation to achieve economies of scale, strengthening state and private institutions, mobilising local capital or promoting joint learning and innovation processes" (**Schweizerische Eidgenossenschaft, 2019**)

What does this summary mean for cultural heritage development sites? The aim of a cultural project is to develop a sustainable economic position on a long-run-perspective, making possible a feasible development to fulfil business and state regulation requirements, but not in excess, e.g. over-tourism. The renewal and development of a cultural site also participates in a value chain cluster (as in another business development cluster), providing parallel development to other cluster stakeholders: local producers, suppliers, services. A revitalization of a cultural site brings visitors but also their further needs: staying in the area using the local products, supplies and services (e.g. hotel, food and beverage, shopping etc.).

How can a value chain cluster in cultural heritage be improved, and sustainably developed? Besides knowing the meaning of value chain cluster, and the theory of systemic thinking, for a successful valorisation the proper interpretation in of the presented theories in practice is essential. The systemic thinking is a necessary guidance and complementary material to a learning-by-doing approach. Systemic thinking with significant practical experience gives the real value of project management, revitalisation or valorisation of any cultural site, just as in any profit-oriented cases.

A cluster can be naturally formed and driven by the users of a site and its environment (the stakeholders' and end user's behaviour naturally and ad hoc choose the complimentary services, suppliers etc.) or the cluster can be artificially, consciously and goal-oriented created by the development process, maximising the value of the product, in this case the cultural heritage site.

We have to keep in mind: **Valorisation is a management tasks.** Successful execution will increase one or multiple value dimensions of the CH. Unsuccessful management will become

all the pieces together and motivate the different players to work together. This is my experience. This person has to have a certain attitude to bring people together. He or she has to feel responsible, with a holistic approach, for the overall target.

VERONICA: Yes, the person who plays the role of the connector, who brings together these different profiles. At the beginning, communication is usually difficult because people with different backgrounds speak different languages. It requires an effort of putting yourself in the shoes of the other person and try to understand their world, where they come from and what are their concerns, objectives, aspirations and aims.

DIETMAR: I use the word cluster for cluster businesses. It's always good to be aware that the same term can have different meanings. In many cases valorisation of CH is embedded in the improvement of a business cluster and the other way around. Successful cultural Heritage Managers know how to use and improve business clusters.

less valorised (on different value scales, of course). We are not working with absolute values. Valorisation is a dynamic value.

3.3. EXERCISES (for groups or individuals)

Module 3 – unit 1: Exercise 1: “the multiple targets of valorisation of cultural heritage – using the Pentagon of value aspects of public interest” (5-10 minutes)

Write down desirable **targets of public interest** (e.g. jobs and income for local population or tax income) that could either directly or indirectly be achieved by analysing and reusing a cultural heritage site e.g. Museumsquartier in Vienna; use therefore the Pentagon of value aspects of public interest.

Module 3 – unit 1: Exercise 2: “optimizing the effects of a valorisation of cultural heritage – using the Pentagon of value aspects of public interest” (5-10 minutes)

Sketch and describe **how** - by which effect relationship - an adaptive reuse of a cultural heritage site creates positive effects in the “Pentagon of public interest”. Think about at least one alternative

for the preservation of the cultural heritage site - better or worse does not matter here - and sketch and describe again the effects in the “Pentagon of public interest”.

Module 3 – unit 2: Exercise 3: Market failure (5-10 minutes)

Name and describe the two attributes of public goods. Name and describe also a cultural heritage that owns the attributes.

Module 3 – unit 2: Exercise 4: Tackling market failure (5-10 minutes)

Name and describe the two possible solutions for the production and maintenance of public goods. Apply these or other solutions for the production and maintenance of public goods on a cultural heritage site, e.g. the first district in Vienna or Schloss Schönbrunn in Vienna.

Module 3 – unit 3: Exercise 5: Activities for value creation (5-10 minutes)

Name and describe at least five of nine activities Michael Porter defined for the value creation of companies.

Module 3 – unit 3: Exercise 6: Possible roles of Cultural Heritage in value creation (5-10 minutes)

Think about the role Cultural Heritage could play in the value creation of a company. E.g.: Cultural Heritage could become firm infrastructure for an event company or a business incubator.

Module 3 – unit 4: Exercise 7: Players and interests (5-10 minutes)

Name a possible player in cultural heritage site management from the public, the private and the 3rd sector and name core interest of that organisation; name possible fictitious interest of employees working for these organisations.

Module 3 – unit 4: Exercise 8: cluster business (5-10 minutes)

Define/describe horizontal, vertical and diagonal business clusters and think about/provide an example that integrates the use of cultural heritage sites – could be a fictitious one.

Module 3 – unit 4: Exercise 9: Principal-Agent-Dilemma (5-10 minutes)

Name and describe the agency problems and possible solutions proposed by Principal-Agent-Theory and imagine a case dealing with cultural heritage site management.

3.4. CASES AND ADDITIONAL READINGS

CASES

Cases for successful appropriate reuse/valorisation of Cultural Heritage:

- Museumsquartier Wien | <https://www.mqw.at/>
- Market halls in Barcelona | <https://ajuntament.barcelona.cat/mercats/en>
- Baumwollspinnerei Leipzig | <http://www.spinnerei.de/>

- Centralstation Darmstadt | <https://www.centralstation-darmstadt.de/>
- Hörspielkirche Federow | <http://www.hoerspielkirche-federow.de/>
- Schiffbauergasse Potsdam | <http://www.schiffbauergasse.de/>
- Giudecca Art district Venice | <https://www.giudecca-art-district.com/>

[Accessed 29 April 2020]

Crowdfunding platforms and cultural heritage (HISPANIA NOSTRA): <https://crowdfunding.hispanianostra.org> [Accessed 29 April 2020]

ADDITIONAL READINGS:

UNESCO definition of the cultural heritage: <http://www.unesco.org/new/en/culture/themes/illicit-trafficking-of-cultural-property/unesco-database-of-national-cultural-heritage-laws/frequently-asked-questions/definition-of-the-cultural-heritage/>

A reflection just after the financial crisis: <http://www.iaph.es/revistaph/index.php/revistaph/article/view/3403> [Accessed 29 April 2020]

European Commission, DG Research and Innovation, Getting cultural heritage to work for Europe, Report of the Horizon 2020 Expert Group on Cultural Heritage, 2015. <http://bookshop.europa.eu/en/getting-cultural-heritage-to-work-for-europe-pbKI0115128/> [Accessed 29 April 2020]

DEN Foundation/Knowledgeland. Business Model Innovation: Cultural Heritage. Knowledgeland, The Hague (2010)

European Commission (2017). Mapping the Creative Value Chains: A Study on The Economy of Culture in the Digital Age.

HERITAGE HOUSES FOR EUROPE: Report #1: https://www.europeanlandowners.org/heritage-houses-for-europe/wp-content/uploads/2018/12/HeritageHouses_Workshop-Report-I.pdf [Accessed 29 April 2020]

Feasibility plan for the exploitation of the rural museum of Masca (Tenerife) co-financed by the City Council and European Funds <https://riull.ull.es/xmlui/bitstream/handle/915/1218/PLAN+DE+VIA-BILIDAD+DE+EXPLOTACION+DEL+MUSEO+RURAL+DE+MASCA+CON+LA+UTILIZACION+DE+OPCIONES+REALES+VALORADOS+MEDIANTE+EL+MODELO+BLACK-SCHOLES.pdf;jsessionid=95F69A745BCA19DEEFA41057DBA5CCE6?sequence=1> [Accessed 29 April 2020]

The communication and dissemination plan – how to bring the voice and interests of different stakeholders – example Casa Amatller <https://www.fundacionmontemadrid.es/proyecto/patrimonio-casa-amatller-barcelona/> [Accessed 29 April 2020]

Public-Private-Partnership: <http://www.iaph.es/revistaph/index.php/revistaph/article/view/3417/3384>

Business Model Canvas available at: <https://assets.strategyzer.com/assets/resources/business-model-generation-book-preview-2010.pdf> [Accessed 29 April 2020]

Books and publications

Bruce W. Tuckman (1965): 'Developmental Sequence in Small Groups', Psychological Bulletin 63
H.R. Schalcher (2007): Projektmanagement – Seminar Script, ETH Zürich, IBB Institut

für Bauplanung und Baubetrieb

H.R. Schalcher (2007): Systems Engineering – Seminar Script, ETH Zürich, IBB Institut für Bauplanung und Baubetrieb

General information about project management:

<http://www.project-management-basics.com/> [Accessed 29 April 2020]

UNESCO Publication: “World Heritage and Sustainable Development. New Directions in World Heritage Management”

<https://www.routledge.com/Key-Issues-in-Cultural-Heritage/book-series/KICH> [Accessed 29 April 2020]

Handreichung der Kultusministerkonferenz der Länder zum UNESCO Welterbe (in German only)

https://www.kmk.org/fileadmin/Dateien/pdf/PresseUndAktuelles/2017/Online_Version_Brosuere_Welterbe.pdf [Accessed 29 April 2020]

Antonine Wall Management Plan

The plan of the British UNESCO World Heritage site of the Roman Antonine Wall s a good example of a management plan which considers a sustainable and interdisciplinary approach in heritage management:

<https://www.historicenvironment.scot/archives-and-research/publications/publication/?publicationid=f477ec1e-8366-4295-ac10-a5c900aab488> [Accessed 29 April 2020]

Brainstorming Report – “Towards an integrated approach to cultural heritage for Europe – prospects on skills, training and knowledge transfer for traditional and emerging professions”

In the so-called “Structured Dialogue” of the European Commission 32 European experts wrote a study on the topic “Towards an integrated approach to cultural heritage for Europe – prospects on skills, training and knowledge transfer for traditional and emerging professions” within the framework of the EU initiative [Voice of Culture](#). The aim was to develop strategies for the European Cultural Heritage Year 2018 on how education and knowledge transfer in cultural heritage conservation must be organized in the future. Interdisciplinary aspects are strongly considered in this report.

<https://heritage-pro.eu/brainstorming-report-on-skills-for-heritage-preservation/> [Accessed 29 April 2020]

Fostering cooperation in the European Union on skills, training and knowledge transfer in cultural heritage professions

Study

The Council of the European Union had invited a group of national experts to investigate skills, training and knowledge transfer in the heritage professions in Europe. The group was operational in 2017

and 2018 under the Work Plan for Culture 2015-2018, with the support of the European Commission. This report is intended to be a resource for the European Union (EU) to ensure the long-term sustainability of Europe's cultural heritage. It aimed to do this by contributing to the European Year of Cultural Heritage 2018 objective 'to support the development of specialised skills and improve knowledge management and knowledge transfer in the cultural heritage sector, taking into account the implications of the digital shift'. It contributes to the European Framework for Action on Cultural Heritage, launched by the European Commission with the aim of leaving a policy imprint beyond 2018

https://publications.europa.eu/en/publication-detail/-/publication/e38e8bb3-867b-11e9-9f05-01aa75ed71a1/language-en/format-PDF?fbclid=IwAR0z_YkYImIfsZET7onnk-DfXeOqbJFGj6qH8IU0bFK_gP5eb-l_YpJm-aw [Accessed 29 April 2020]

Arts Council England (2018). "Changing Cultures - Transforming Leadership in the Arts, Museums and Libraries."

https://www.artscouncil.org.uk/sites/default/files/download-file/Changing%20Cultures_0.pdf [Accessed 29 April 2020]

THE FOLLOWING INITIATIVES PROVIDE READINGS CONCERNING ACTUAL AND GENERAL TOPICS:

Forschungsallianz Kulturerbe

<http://www.forschungsallianz-kulturerbe.de/> [Accessed 29 April 2020]

The Forschungsallianz Kulturerbe ("Cultural Heritage Research Alliance") is a reliable point of contact for all questions relating to sustainable restoration. Three German research institutions pool their knowledge here and also act in an advisory capacity. The alliance brings together 15 Fraunhofer Institutes, eight Leibniz Research Museums and five main facilities of the Prussian Cultural Heritage Foundation. An English speaking service is offered by the coordinator: Dr. Johanna Leissner: johanna.leissner(at)zv.fraunhofer.de; Tel. 0032 2 506 42 43

Monumentenwacht

<https://www.monumenten.nl/> [Accessed 29 April 2020]

Since 1992, Monumentenwacht is a Dutch institution that offers its affiliated members (owners or managers of a monument or valuable heritage site) an inspection system in which the state of preservation of a valuable building, interior or works of art, sailing heritage and archaeological sites (2011), are regularly examined. At the end of the inspection, a report is drawn up containing concrete recommendations for maintenance and repair. In this way, the owner of the site knows exactly which works and interventions for conservation are urgent.

3.5. ASSESSMENT

With this training module you can learn in three different ways:

1. You can work through the entire Module as a self-learning course by first acquiring the content and then deepening it with the exercises and case studies provided. In this case, the exercises serve as a review and self-reflection of your learning success.
2. You can work through the module together with colleagues, for example by acquiring the content of all or single training modules over a pre-defined period of time and exchanging information in regularly recurring discussion rounds, giving each other feedback on the exercises.
3. A third possibility is that you work through the modules with a professional trainer who is engaged by your institution as part of an internal training measure. All institutions that have participated in the development of these modules are listed at the end of the Module and offer the training as a service.

3.6 GLOSSARY

Unit 1 contains a discussion of the term valorisation. From Unit 2 on you find on the left site a narrative interview with Dietmar Wiegand and Verónica Buey Cieslak and on the right site explanatory notes of the terms that were mentioned. All the terms already explained in the units are not repeated in the glossary!

Important additional terms in the context of valorisation of cultural heritage

Interdisciplinary – multidisciplinary – interprofessional – transdisciplinary work? Check the differences in your own working environment:

- Multidisciplinary work: those from different specialisms working alongside one another
- Multiprofessional work: those from different professions working alongside one another
- Interdisciplinary work: those from different specialisms working with each other
- Interprofessional work: those from different professionals working with each other
- Transdisciplinary work: is a methodical approach that integrates scientific and practical knowledge, mainly to solve problems in real life; systemic thinking and systems engineering play an important role in transdisciplinary research and work.

Systemic management approach

Systemic management is understood as the sum of all activities performed for the design, the steering and the development of purposeful **socio-technical systems**. The project management and its so-called project relevant environment is such a socio-technical system. A fundament are the principles of systemic thinking. One of them is, 'the whole is more than the sum of the parts'. Accordingly, systemic thinking focusses not only on the elements of a system, but on the relationships and the effects the relationships produce. Other keywords of systemic thinking are e.g. interconnectedness, openness, complexity, order/organisation, steering and development. Principles from systems engineering are:

- work from rough to detailed
- thinking in variants / thinking about alternatives
- structuring your work in phases
- use/respect problem solving cycles

Management plan and Management System

The terms used are based on the UNESCO terminology for the creation of management plans and systems at UNESCO World Heritage sites.

https://www.unesco.de/sites/default/files/2018-05/Management_Plan_for_World_Heritage_Sites.pdf

[Accessed 29 April 2020]

3.7. REFERENCES

Botkin, J.W., Matthews, J.B. (1992): Winning Combinations, p. 26

Buscema, M., Ferilli, G., Gustafsson, C., and Sacco, P.L. (2017) The Complex Dynamic Evolution of Cultural Vibrancy in the Region of Halland, Sweden <https://doi.org/10.1177/0160017619849633> [Accessed 15 December 2019].

Business Set Free Ltd. (2013): Porter's Value Chain. <http://www.businesssetfree.com/porters-value-chain/> [Accessed 15 December 2019].

Chappelow, J. (2019): Prisoner's Dilemma. <https://www.investopedia.com/terms/p/prisoners-dilemma.asp> [Accessed 5 November 2019].

Chappelow, J. (2019): Private Sector. <https://www.investopedia.com/terms/p/private-sector.asp> [Accessed 17 November 2019].

Collins Dictionary (2019): Public Sector. <https://www.collinsdictionary.com/de/worterbuch/englisch/public-sector> [Accessed 20 June 2019].

Einarsson, A. (2016): Cultural economics, Bifröst University, Iceland, 2016.

EU publications (2017): Mapping the creative value chains <https://publications.europa.eu/en/publication-detail/-/publication/4737f41d-45ac-11e7-aea8-01aa75ed71a1> (Glossary pp. 32-33.) [Accessed 11 November 2019].

European Commission (2014): COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS: Towards an integrated approach to cultural heritage for Europe (COM 477) as of July 22nd, 2014 https://ec.europa.eu/assets/eac/culture/library/publications/2014-heritage-communication_en.pdf [Accessed 11 November 2019].

Ferilli, G., Gustafsson, C., and Sacco, P.L. (2017) Cognitive Keynesianism: Heritage conservation as a platform for structural anti-cyclic policy. The case of the Halland Region, Sweden. <https://doi.org/10.1016/j.culher.2017.02.019> [Accessed 11 November 2019].

Gustafsson, C. (2009): The Halland model: a trading zone for building conservation in concert with labour market policy and the construction industry, aiming at regional sustainable development. http://www.changes-project.eu/wp-content/uploads/2016/01/2016_05_26_Monza_Gustafsson.pdf [Accessed 12 November 2019].

Gustafsson, C. (2011): The Halland model: a trading zone for building conservation in concert with labour market policy and the construction industry, aiming at regional sustainable development. Chapter 1-3; 5.
https://gupea.ub.gu.se/bitstream/2077/28328/6/gupea_2077_28328_6.pdf
https://gupea.ub.gu.se/bitstream/2077/28328/5/gupea_2077_28328_5.pdf
https://gupea.ub.gu.se/bitstream/2077/28328/4/gupea_2077_28328_4.pdf

https://gupea.ub.gu.se/bitstream/2077/28328/3/gupea_2077_28328_3.pdf [Accessed 29 November 2019].

Hornig SC., Chang AH., Chen KY. (2016) The Business Model and Value Chain of Cultural and Creative Industry. In: Plangger K. (eds) *Thriving in a New World Economy. Developments in Marketing Science: Proceedings of the Academy of Marketing Science*. Springer, Cham

Iossifova, D. (2013): Scarcity, creativity and the creative industries, working paper for SCIBE, University of Westminster, February 2013.

Jokilehto, J. (2005): *Definition of Cultural Heritage. References to documents in History*, ICCROM Working Group 'Heritage and Society'.

Kenton, W. (2019): Economy. <https://www.investopedia.com/terms/e/economy.asp> [Accessed 11 November 2019].

Level of measurement: https://en.wikipedia.org/wiki/Level_of_measurement [Accessed 2 December 2019].

Michael, E. (2007): *Micro-Clusters and Networks: The Growth of Tourism*, Netherlands, Elsevier, 24-27., UK

McLeod, S. (2020): Maslow's Hierarchy of Needs. <https://www.simplypsychology.org/maslow.html> [Accessed 1 March 2020].

Porter's Diamond Model (2019): Why Some Nations Are Competitive And Others Are Not (2018) <https://www.business-to-you.com/porter-diamond-model/> [Accessed 20 June 2019].

Positive externality. <https://www.britannica.com/topic/positive-externality> [Accessed 4 November 2019].

Power, A. (2016): Bilbao City Story, CASE report 101 (Centre for Analysis of Social Exclusion), La Fabrique de la Cité <http://eprints.lse.ac.uk/67843/1/casereport101.pdf> [Accessed 15 December 2019].

Rodes, A.R. Pereira (2019): Wall-e: Value, Conserve, Evolve. <https://collegerama.tudelft.nl/Mediasite/Showcase/public/Presentation/91689445bd724564a39a0b8ae233175d1d> [Accessed 30 November 2019].

Rütter, H., Berwert, A., Vouets, V. (2000): *Vorstudie zur Ermittlung der volkswirtschaftlichen Bedeutung der Kultur in der Schweiz*. http://www.ruetter-soceco.ch/wp-content/uploads/2016/07/Volksw.Bedeutung_der_Kultur_Schweiz_Vorstudie.428-2.pdf [Heruntergeladen am 05.05.2020].

Samuelson, P. A., Nordhaus, W. D. (1998): *Volkswirtschaftslehre*, 15. Edition, p. 873

Schweizerische Eidgenossenschaft (2019): Value chain development for better access to local, regional and global markets. <https://www.eda.admin.ch/deza/en/home/themes-sdc/private-sector-development/creating-incentives/value-chains-cluster.html> [Accessed 20 June 2019].

Swami, M.S. (2019): *Environmental Economics for Sustaining Development: Framework and Tools for Researchers and Policy Makers*. <https://ssrn.com/abstract=3420938> [Accessed 2 December 2019].

Towards an integrated approach to cultural heritage for Europe – prospects on skills, training and knowledge transfer for traditional and emerging professions, *Voices of Culture 2017* http://kultur-und-arbeit.de/wp-content/uploads/2017/09/VoC_skills_and_training_Final_Report.pdf [Accessed 19 November 2019].

Unesco. (2019): Tangible Cultural Heritage. <https://en.unesco.org/fieldoffice/ramallah/tangible-cultural-heritage> [Accessed 29 November 2019].

University of South Bohemia: The science of economics. <http://www2.ef.jcu.cz/~su-lista/pages/kdftp/ENAS2-6.pdf> [Accessed 11 November 2019].

EXAMPLES FOR ORGANISATIONS & CASES [Last accessed 29 April 2020]:

Baumwollspinnerei Leipzig | <http://www.spinnerei.de/>

Generaldirektion Kulturelles Erbe Rheinland-Pfalz | <https://kulturland.rlp.de/>

MIB AG (Real Estate developer specialised on developments integrating CH and/or creative industries) <https://www.mib.de/projekte/>

Museumsquartier Wien | <https://www.mqw.at/>

Municipal Institute of Barcelona Markets | <https://ajuntament.barcelona.cat/mercats/en/canal/model-mercat-barcelona>

National Trust UK | <https://www.nationaltrust.org.uk>

NSW Government: www.environment.nsw.gov.au

Stanford University, Triple Helix Research Group, https://triplehelix.stanford.edu/3helix_concept

Titanic docks, Belfast | <http://www.titanicsdock.com/>

[Last accessed 29 April 2020]

3.8. THE HERITAGE-PRO PARTNERS: AN INTERDISCIPLINARY TEAM FOR SKILLS DEVELOPMENT IN CULTURAL HERITAGE PRESERVATION

HERITAGE-PRO is an Erasmus+ initiative of six European partners from five countries who strive to answer to the continuing call for interdisciplinary training for professionals of different disciplines towards sustainable management and preservation of cultural heritage.

The **HERITAGE-PRO website** <https://heritage-pro.eu/> provides you with further information and updates. **Please feel invited to browse through the pages and benefit from information and training material alike.**

HERITAGE-PRO is implemented by a partnership of six European institutions, companies and networks from Germany, Spain, Austria, Sweden and Belgium, all active in vocational training for the preservation of cultural heritage. They developed cooperatively this vocational training scheme that closes the gap of interdisciplinary training in the field.

- **Kultur und Arbeit e.V. – Bad Mergentheim / Germany (coordinator)**
www.kultur-und-arbeit.de
- **Restrade – Höganäs – Sweden**
www.restrade.se

- **Asociación Española de Gestores de Patrimonio Cultural (AEGPC) – Madrid / Spain**
www.aegpc.org
- **European Network on Cultural Management and Policy (ENCATC) – Brussels / Belgium**
www.encatc.org
- **Institut für immobilienwirtschaftliche Forschung (IPRE) –Vienna / Austria**
www.ipre.at
- **Entwicklungsagentur Rheinland-Pfalz – Mainz / Germany**
www.ea-rlp.de

3.9. ACKNOWLEDGEMENTS

The **HERITAGE-PRO** team is very proud that the following European experts have accepted the invitation in the Advisory Board of the project. They and their institutions are Associated Partners to the project.

More information about their CVs and ambitions can be found here:
<https://heritage-pro.eu/about/advisory-board/>.

Germany

Mr **Thomas Metz**, director of the General Directorate for Cultural Heritage of Rhineland-Palatinate

Mr **Frank Sprenger**, head of the Centre for Conservation and Monument Conservation of the Koblenz Chamber of Crafts

Mr **Titus Kockel**, Head of Unit Promotion of the Trades, German Confederation of Skilled Crafts and Small Businesses

Austria:

Dr. Terje M. Nypan

Technical Director, Riksantikvaren, Directorate for Cultural Heritage. Chair EHHF Task Force on economics and statistics (2015 – 2017), Chair European Heritage Legal Forum (2008 – 2011).

France

Ms **Claire Giraud Labalte**, heritage expert, art historian and professor emeritus, member of ENCATC / Alliance 3.3, president of *Le Pôle du patrimoine en Pays de la Loire* and president of the association Territoires imaginaires

Sweden

Ms **Rebecka Nolmard**, director-general, Swedish Ministry of Culture

Mr **Gunnar Almevik**, PhD, Professor at Gothenburg University, Department of Conservation

Spain

Mr **Carlos Romero Moragas**, archaeologist and cultural manager, **head of the Centre for Training and Dissemination at the Andalusian Institute of Historic Heritage** (IAPH) in Sevilla

Mr **Gabriel Morate Martin**, **director of the Spanish Historic Heritage Preservation Program at MonteMadrid Foundation**, member of the Executive Board of Hispanic Nostra and the Spanish Association of the Friends of the Castles (Head of the Technical Department), editor of the “Monumentos Restaurados” Publication Series

Norway

Dr. Terje M. Nypan, Technical Director at Riksantikvaren (Norwegian Directorate for Cultural Heritage). Background: PhD in Sociology of Organisations, University of Oslo (1979), Agronomist (1975). During this period: Chair EHHF Task Force on economics and statistics (2015 – 2017), Chair European Heritage Legal Forum (2008 – 2011). Project Head, Ministry of Environment, project manager, Noragric (Sri-Lanka), and 15 years in the private sector. Last publication: “The Material Cultural Heritage as a Strategic Territorial Development Resource: Mapping Impacts Through a Set of Common European Socio-economic Indicators”. ESPON. Published, November 2019. Role: Lead stakeholder, contributor and member Editorial Board.