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N.B. Versions of this paper in French and Spanish will also be available.
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Executive Summary

The Forum on Development and Culture organized by the Inter-American Development Bank offers the international community a window of opportunity to advance towards the goal of bringing culture to the heart of the development agenda.

As the sole United Nations agency with a cultural mandate, UNESCO has been the leading advocate of such a process and today, its strategy of advocacy is beginning to bear fruit. Indeed, UNESCO's pluralistic vision of culture as a key space of meaningful and sustainable development has become ever more relevant and timely.

If the intimate relationship between culture and development has yet to become a major policy concern, this is largely because progress in producing hard data on the linkages have been slow. The political and financial commitments have been insufficient as well. Countless declarations and recommendations have been made at both the national and the transnational level, but to uncertain effect: the gap between public discourse and actual practice is still considerable.

UNESCO therefore welcomes the Inter-American Development Bank's recognition of the need to close this gap and is glad to share with the Bank the experience it has accumulated over the years. As financial institutions such as the IDB begin to consider ways of unlocking the economic, educational and social power of culture, questions such as the following need to be addressed. What are the benefits of investing in culture? In what spirit and in what sorts of cultural endeavours should investments be made? What rationales and what policies would best support the integration of culture in the development agenda?

While UNESCO does not pretend to have definitive answers to such questions, it can offer some cogent arguments to suggest and justify the new approaches to policy formulation that are required. It will do so here in an international perspective, providing the global context in which issues of culture are now shared across frontiers. With these aims in view, this position paper sets out to:

(i) make explicit the reasons for which culture has moved to the forefront;
(ii) summarize UNESCO's conceptual, ethical and operational efforts to reveal the linkages between culture and development and enunciate some of the key messages that have emerged;
(iii) underline the importance of going from words to deeds;
make the case for the economic, social and political impacts of investing in culture and,
propose a checklist of policy recommendations for this purpose.

UNESCO wishes to pursue its world wide 'culture and development' agenda in close co-
operation with the Inter-American Development Bank. It hopes therefore that the lessons
learned at the Forum can be taken forward to the Fortieth Annual Meeting of the Bank's
Board of Governors, and that there they will sow the seeds of a lasting and constructive
action partnership between the Inter-American Development Bank and UNESCO.

I. Culture has moved to the forefront

An awareness has gained ground that cultural development is as important a
constituent of well-being as economic growth. There are at least three sets of
reasons which explain this broadening of the development paradigm.

• First, more and more people today recognize that since culture shapes the way
we see the world it is to the cultural that we must turn for energy and inspiration.
Profound changes of mindset are required if we are to ensure peace and
sustainable human development in the face of increasing poverty and inequity in a
highly asymmetrical world, environmental degradation, and a generalized deficit
of creativity in problem-solving. Culture in all its diversity is increasingly viewed a
key asset in addressing these and many other challenges. Apart from being
valuable in its own right, cultural diversity multiplies the range of possible
solutions to them. It provides a reserve of knowledge and experience about good
and useful ways of doing things. It is undoubtedly a means to better stewardship
of the environment, and to counter political and economic dependence and
oppression, thereby contributing to real respect for human rights.

• Secondly, cultural or ‘content industries’ play an increasingly important
economic role in the context of market liberalization and integration processes.
With a significant medium- and long-term growth rate -- which some analysts
estimate at around 10 per cent -- this sector is strengthening its position in the
global economy as a strategic outlet for production, exports and job creation. ¹
Recent data from Brazil reveal an aspect that is not often highlighted in
assessments of culture and its social and economic impacts: in 1997 Brazilian
cultural production generated almost 6.5 billion reales, or roughly one percent of
GDP. For every million reales expenditure on the cultural sector, the country
generated 160 jobs.²

• Thirdly, the information and images which increasingly drive the global
economy are beginning to transform the ways in which culture is created,
communicated, enjoyed and, some would argue, even defined. Communications

technologies now provide a great potential to link cultures, promote interactions,
share expertise and new forms of expression. The dark side of this global interconnectedness is the risk of homogenization that accompanies it and it is hardly surprising that many have turned to culture "as a means of resistance to the entropy of the global system, as a bulwark and as a refuge". As economic processes become increasingly autonomous of political authority within each country the erosion of sovereignty leads to fear and turbulence under the impact of globalized intrusions of technology, finance capital and mass media. As old structures and balances disappear, the new ones that seek to replace them are in a state of flux, leading to upsurges of nationalism expressed in cultural terms. Culture has been politicized, and different actors are using it as a weapon. We are witnessing a return to tribalism in which culture and the past are, all too often turned to use as weapons of radicalization and extremism. Culture has become a shield which indisputably offers protection, but at the same time confines and imprisons, generating not only violence but also social exclusion and marginalization.

For these three reasons, culture is no longer seen as a secondary subset of human reality but as a central ingredient of the quality of life, an overarching dimension that is essential not just to the preservation of identity but also to governance, citizenship, social cohesion and creativity. Hence citizens are calling increasingly upon their elected representatives and officials to work for cultural well-being as much as they strive for economic and social well-being. They are asking them to mobilize all the resources of their societies, together with the non-governmental sector and citizen action in general.

Responses to this call to action are beginning to emerge. Different actors in the public, private and third sectors are in the process of repositioning themselves, building new alliances and strategies. Many initiatives have recently been taken in Latin America and the Caribbean that adopt a new approach. These include the Summits of Presidents and Heads of Government of the region as a whole, in the CARICOM framework or the Forum of Minister of Culture and those responsible for Cultural Policies, created a decade ago and with which UNESCO operates actively. They range to the Inter-American Program of Culture, established recently by the Organization of American States, joint SELA/UNESCO approaches to strategies for the promotion of the cultural industries, and the transversal revision of the programmes of the ‘Andrés Bello’ Convention - endowing them with a cultural dimension. They also include the Vatican’s proposal for a Theology of Culture for Latin America, and the MERCOSUR agreements which include a cultural dimension in economic integration (the text adopted at Asunción and the meeting at Canela in 1996). In September 1998 the Brazilian Government hosted in Rio de Janeiro a meeting of Latin America and Caribbean Ministers of Culture. Sponsored by the Inter-American Development Bank and UNESCO, the gathering explored the role of
culture in the consolidation of national identities, the development of civil rights and citizenship, as well as its role in national economic and social development. It proposed a charter of recommendations, which includes the need to develop cultural industries to alleviate the impact of globalization and strengthen cultural diversity and regional integration.

This new spirit is opening up new prospects at the Inter-American Development Bank.4

But the phenomenon is not restricted to Latin America and the Caribbean alone. There are other outstanding examples of this worldwide mobilization of concern around culture, as well as many national initiatives under way, too numerous to name. Hence we shall briefly review only some of the regional or international initiatives.

Foremost among these is the launching of an informal network of ministers of culture by Ms Sheila Copps, the Minister of Canadian Heritage, whose effort focuses on the challenges of sustaining local and national cultures in a world “where information is power”, in which films, television, newspaper and magazines shape attitudes, creative conventions of style and behaviour, reinforce or undermine core values.

Another significant initiative is the decision taken in October 1998 by the Government of France to pull out of the OECD’s Multilateral Agreement on Investment negotiations, as it considers inter alia that free investment rules would dissolve cultural distinctiveness in a uniform international economic system. Responding to strong pressures from national public opinion and cultural activists, the French authorities are joining forces with Canada to push for promotion of cultural pluralism in the global economy. Both governments have initiated a strong drive to defend cultural sovereignty, diversity and pluralism.

By holding the international conference Culture and Development at the Millennium: The Challenges and the Response, organized in Washington on the eve of its Annual Meeting in September 1998 with UNESCO’s co-sponsorship, the World Bank has also recognized, in the words of its President James D. Wolfensohn, “that respect for the culture and identity of peoples is an important element in any viable approach to people-centered development...we do not believe that you can move forward unless you have a recognition of the base and the past from which we have
come”. It is in this spirit that a new "Culture in Sustainable Development" strategy has been under preparation by the Bank for several years and that a ‘Culture and Development Action Network’ has been set up to link the efforts of many organizations both public and private, international and regional, that are active in cultural conservation efforts.
II. UNESCO's contribution to this awareness

II.1. Concepts and principles: an ethical role

UNESCO has been in the vanguard of promoting peace and international understanding since the end of the Second World War. In fulfilling its constitutional mandate of “advancing through the educational and scientific and cultural relations of the peoples of the world, the objectives of international peace”, the Organization has contributed to the world wide awareness that a just and lasting peace cannot be founded on economic and political arrangements alone, but requires the "intellectual and moral solidarity" of humankind. This forms the very basis of UNESCO's ethical mandate.

UNESCO's advocacy of the linkages between culture and broader aims of human endeavour began to be articulated very early on in the Organization's history with a strong emphasis on intercultural dialogue as a key strategy for peace building. In 1948, a programme for the translation of classic and contemporary literary works – the UNESCO Collection of Representative Works – was inaugurated. In the same spirit, the preparation of a History of the Scientific and Cultural Development of Mankind was launched in 1950, which in turn led to the creation of regional cultural history projects (for Africa, Latin America and the Caribbean, Central Asia and the world of Islam) designed to provide alternatives to previously eurocentric historical approaches.

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Constitution of the United Nations Educational, Scientific and Cultural Organization

The Governments of the States Parties to this Constitution on behalf of their peoples declare:

- That since wars begin in the minds of men, it is in the minds of men that the defences of peace must be constructed;
- That ignorance of each other’s ways and lives has been a common cause, throughout the history of mankind, of that suspicion and mistrust between the peoples of the world through which their differences have all too often broken into war (...);
- That the wide diffusion of culture, and the education of humanity for justice and liberty and peace are indispensable to the dignity of man and
constitute a sacred duty which all the nations must fulfil in a spirit of mutual assistance and concern;

- That a peace based exclusively upon the political and economic arrangements of governments would not be a peace which could secure the unanimous, lasting and sincere support of the peoples of the world, and that the peace must therefore be founded, if it is not to fail, upon the intellectual and moral solidarity of mankind.

The year 1953 saw the creation of the series 'Unity and Diversity of Cultures', a survey of the specific cultures of different peoples and their mutual relations. In 1957 UNESCO launched the celebrated ‘Major Project on Mutual Appreciation of Eastern and Western Cultural Values’, thus opening up the debate on the affirmation and enrichment of cultural identities and the strengthening of intercultural dialogue. The latter was to become a key axis of all its efforts, evolving with the changing geopolitical and geocultural realities, principally the emergence of new nations.

Continuing with its standard-setting role, already initiated in 1950 with the Florence Agreement and The Hague Convention (1954), UNESCO adopted in 1966 the ‘Declaration of the Principles of International Cultural Co-operation’ which stated the right and duty of all peoples to develop their own cultures.

By 1970, René Maheu, then Director-General of UNESCO, was ready to tell the world: "Man is the means and the end of development; he is not the one-dimensional abstraction of homo economicus, but a living reality, a human person, in the infinite variety of his needs, his potentialities and his aspirations... In the concept of development the centre of gravity has thus shifted from the economic to the social, and we have reached a point where this shift begins to approach the cultural."6

The Declaration adopted by the World Conference on Cultural Policies organized by UNESCO in Mexico City in 1982 confirmed those prophetic words and affirmed that "balanced development can only be ensured by making cultural factors an integral part of the strategies designed to achieve it." The Mexico City Declaration also included the celebrated broad definition of culture that linked culture so irrevocably to development.7 It led furthermore to the World Decade for Cultural Development launched jointly by UNESCO and the United Nations in 1988 with the following four objectives:
THE VALUE OF CULTURE

- to heighten awareness of the relationship between culture and development, by acknowledging the cultural dimension of development;
- to assert and enhance cultural identities;
- to broaden participation in cultural life and
- to promote international cultural co-operation.

THE WORLD COMMISSION ON CULTURE AND DEVELOPMENT

By the end of the 80s, it had become clear to many people that development itself was a far more complex undertaking than had been originally thought. The report of the Brundtland Commission, Our Common Future, represented an important conceptual advance by placing development in its broader environmental and inter-generational setting. The development paradigm was further broadened by the notion of human development elaborated in the UNDP's Human Development Report. Culture was implied in this notion but it was not explicitly introduced. Doing so would have to be the next step. In 1995, the independent World Commission on Culture and Development set up jointly by UNESCO and the United Nations and chaired by Mr Javier Pérez de Cuéllar took this next step, by demonstrating that development must be concerned with "the flourishing of human existence in all its forms and as a whole." Not only must development be sustainable, it must also be cultural.

The Commission's report, Our Creative Diversity, provided a powerful new framework as it linked culture and development to key policy issues of our time. The Commission having called upon UNESCO to spearhead a process of rethinking by governments and their partners of the place and scope of their cultural policies in the context of development, the Organization held the Intergovernmental Conference on Cultural Policies for Development at Stockholm in March-April 1998. The Action Plan adopted by the Conference set out the five policy objectives of:

- making cultural policy a key component of development strategy,
- promoting creativity and participation in cultural life,
- reinforcing measures to preserve cultural heritage and promote cultural industries,
- promoting cultural and linguistic diversity in the information society and
- making more human and financial resources available for cultural development.

Pursuant to another recommendation of the Pérez de Cuéllar Commission, UNESCO has recently published the first edition of a new biennial World Culture
Report, designed to survey recent trends in culture and development, monitor events affecting the state of culture worldwide, construct quantitative cultural indicators, highlight good cultural practices and policies and analyse specific themes of general importance accompanied by policy suggestions. It is indeed essential that analytical tools be elaborated with a view to providing comparative 'hard' data in this still under-explored field, in particular so as to shed more light on the reciprocal relationship between cultural values and behaviours and the actual practice and impacts of development programmes and projects.

Today, we are at a crucial stage in the ongoing process of revealing the mutual relationships between culture and development. What are the main messages UNESCO wishes to share with the Inter-American Development Bank?

THE CONCEPT OF CULTURE

UNESCO uses the notion of ‘culture’, which has been defined in literally hundreds of ways, in several inter-linked senses.

- First, as the different manifestations of human intellectual and artistic creativity, past and present. These arts and cultural expressions, together with the individuals and institutions responsible for their transmission and renewal, constitute what is commonly regarded as the "cultural sector", a demarcated policy domain concerned mainly with both artists and art forms broadly defined.
- Second, UNESCO is also concerned with these manifestations of human aspirations and creativity as tools that can add value to other areas of endeavour, such as employment or social solidarity.
- Third, it envisages culture as a stock of resources upon which individuals and communities may draw inspiration and guidance.
- Finally, UNESCO follows the World Commission on Culture and Development in seeing culture as "ways of living together", as the overarching values which are an intrinsic fount of individual and social motivation and energy.

In doing so, UNESCO sees culture and cultures in dynamic and interactive terms, eschewing the so-called ‘culturalist’ vision of culture “as a homogeneous, integral and coherent unit Cultures can no longer be examined as if they were islands in an archipelago. The contemporary globalization of economic, political and social life has resulted in even more cultural penetration and overlapping, the coexistence in a given social space of several cultural traditions…” It is necessary, therefore, to “look at specific local spaces and conditions, and search for the ways in which these
spaces can creatively adapt, react, resist, or transform the threats and opportunities that come from the outside. These understandings, which see culture as the creative force that helps people to grow and societies to change, are closely related to the notions of "social capital" and "cultural capital". Both concepts are easier to argue theoretically than to demonstrate empirically, however. Nevertheless, they both have important implications with regard to growth, sustainability and investment appraisal.

THE CONSTITUTIVE ROLE OF CULTURE

A key principle that flows from UNESCO's uses of the notion of culture is that its constitutive aspect is as important as its instrumental role, if not more so. Both aspects were explored by the Pérez de Cuéllar Commission, which warned against viewing culture as merely a means to the ends of promoting economic or other objectives. This view is no doubt important, since economic growth is generally highly valued. But even for those who value economic growth, the question must arise as to whether economic growth is to be valued for its own sake, or whether growth itself is only an instrument with less claim to a foundational role than other aspects of human life, particularly the cultural. On reflection, surely most of us would prefer to value goods and services because of what they contribute to our freedom to live the way we value. Once we accept this, we would see development itself as a process that enhances the effective freedom of the people involved to pursue whatever they have reason to value, as the Nobel Prize winning economist Amartya Sen wrote in his contribution to the work of the World Commission. To be sure, culture will have an instrumental role in relation to economic, social or environmental objectives deemed desirable within a particular society. Within a sustainable society, however, culture itself will be the arbiter in the difficult trade-offs between conflicting ends, the "final court of appeal" with regard to developmental goals, not only the "servant of ends but... the social basis of the ends themselves", a factor of development but also the "fountain of our progress and creativity." As the World Commission on Culture and Development pointed out, "once we shift our attention from the purely instrumental view of culture to awarding it a constructive, constitutive and creative role, we have to see development in terms that include cultural growth."
In other words, while it is no doubt true that investing in culture is important for economic development, investing in culturally sensitive development is even more so. Investments in culture would help develop one sector. But investing in the development process in ways that take culture into account will lead to sustainable human development. Hence the stress that is now beginning to be laid by financial institutions such as the Inter-American Development Bank and the World Bank on the intrinsic existence value and public goods character of culture is particularly important.

This being said, however, how to apply these messages on culture and development which, unlike the modernization theses of the 60s and early 70s, do not consider the transformation of cultural values to be a prerequisite for well-being, but view culture as the general frame of reference providing us with the resources and materials necessary to build the future? This question can be addressed in terms of five major principles:

1. **Culture and democratic governance**

   Development cannot be secured without the full participation of all those concerned. The most productive policies and investments are those that empower people to maximize their capacities, resources and opportunities. Democracy is much more than a form of political organization characterized by the periodic election of public officials. It is the fundamental value which enables human beings to control their destiny, both on an individual and on a collective basis. Participation in the democratic sense must integrate all the constituent elements of the social fabric. Freedom of expression for all members of society is exactly what enables democracy to become part of everyday life. The legitimacy of the democratic process lies, in large measure, in the ability of civil society to express its wishes through various participatory channels and organs, in a process which in turn strengthens democracy itself.

   Democratic systems reinforce the individual’s sense of belonging to a collective project, as they offer a valid response to the identity issues which characterize our end-of-century multicultural societies. Democratic principles today entail a policy of ‘inclusion’, since democratic development, the representation of diverse identities and wishes, can only be fostered when space is given to multiple actors: social movements, artists, independent media, unions, ethnic groups, consumers’ associations and the like.
Culture and democracy are clearly two interacting and mutually reinforcing sets of values. There is increasing evidence that a government which is not answerable to its people, is not likely to have the institutions needed even to overcome a financial crisis let alone steer development towards long-term sustainability. If governance is characterized as a process of setting the rules and establishing the spaces where various demands and interests (often with conflicting goals) can be expressed and where negotiation can be accomplished and followed up by implementation, then it cannot refer to investment capacity alone but also to the capacity to manage change and set the framework for democratic processes of community-based decision-making. Hence UNESCO has laid great stress on promoting a culture of democracy as a major foundation for the successful implementation any kind of democratic reform. While there can be no single model of democracy applicable to all countries, since the democratic ethos necessarily reflects the cultural specificities of a given society, it is still possible to identify certain general principles, values and practices essential to the successful functioning of democracy.

2. Culture is central to peace and sustainable development

One of the most disturbing phenomena of the last few decades is the emergence of a culture of violence. The majority of recent armed conflicts have occurred within national boundaries rather than between countries, and 90 per cent of victims have been civilian, not military. Many hold the view that violence is becoming ‘a way of life’ which has seeped into the most basic levels of everyday behaviour. There is no more urgent task than that of replacing the predominant culture of violence by a culture of peace. A culture of peace is both a living experience and an innovative approach to trying to make the social fabric of every society cohesive. It is a multifaceted approach, which can make peace, democracy and development truly interactive. One of the keys to its success will be attitudes to human diversity on which a positive dialogue between cultures can be based. We must seek new forms of social organization, of community life and of government which allow people to exercise their right to be different whilst maintaining a shared desire to live and work together in peace, and thus be able, to sustain viable forms of life on our planet.

Thus culture is not only crucial to peace but also to the environment. The analogy between cultural diversity and bio-diversity, between cultural values and ways of meeting the global responsibility of sustaining the environment, point on
the one hand to the fact that cultures cannot survive if the environment on which they depend is laid waste or impoverished. On the other, there is now a growing recognition that the environment is closely inter-linked with the activities of human groups, their use of natural resources and the value and meaning they ascribe to their ecosystems. Humanity's relation to the natural environment can no longer be seen predominantly in biophysical terms. Culture should therefore be treated as a sustainable resource for the maintenance of diversity and the creation of our stock of future intellectual resources.

3. **Cultural diversity is a fundamental policy imperative**

Ensuring diversity in a global world has become a fundamental principle as market values alone cannot orient our definitions of the good society. As globalization links cultures ever more closely together, contributes to fruitful cultural change, and enriches the interactions between cultures, it also brings about increasing uniformity in human practice across different cultures. Energies must be mobilized both locally and globally to preserve the plurality of cultural values, processes and products. Within nations, the only way of achieving stable democracy in multicultural nations -- which is what almost all are today -- is to create open societies in which all ethnic and cultural groups share the same privileges, benefits and obligations. Access to cultural resources is a crucial policy question here. People should not be excluded from the international circulation of cultural goods and it is essential to maintain diversity in their production and distribution.

4. **Culture is the foundation of collective memory and plural identity**

Tangible and intangible cultural resources embody the collective memory of communities across the world, as they gather inspiration and meaning from the past and use it to provide meaning for the present and the future. What is more, the heritage is an ideal vehicle for the construction of intercultural dialogue, since so often it provides the physical and temporal space in which cultural values encounter one another. Yet the heritage is made up not only of sites and monuments but also of a multitude of arts and crafts objects, documents and manuscripts, oral traditions and expressive culture in all its forms, including the performing arts. Safeguarding these creations of our ancestors must go in hand in hand with fostering the creation of our contemporaries. Current interpretations and usage of this cultural heritage still tend to be dominated by a combination of aesthetic and historicist criteria. These need to be broadened so that each society may assess the nature and precarity of its heritage resources and determine the use it would make of them in the future.
In so doing it can ensure that culture really does give all people a sense of place and purpose.

Rehabilitation of the Historic Centre of Quito, Ecuador

This programme focusing on social sustainability is a complement to the Programme for the rehabilitation of the historic centre of Quito which is being executed by the Empresa Centro Histórico with the support of the Inter-American Development Bank and the technical co-operation of UNESCO. It is based on an integrated approach combining historic conservation with the socio-economic regeneration of the conserved urban fabric. Improving the habitat and fostering micro-enterprises that can generate income for the inhabitants and raise their standard of living are key thrusts. The programme also aims to build a closer articulation between urban space and the social fabric, so as to heighten the people's sense of belonging, thereby facilitating the integrated preservation of this valued historic patrimony.

The programme comprises four components. The first is an awareness-building campaign using both modern media such as radio and television, as well as traditional ones such as public criers and simple leaflets; its purpose is to make the citizens themselves the designers and evaluators of the project. The second seeks to create micro-enterprises in the service sector (cleaning, tourist information and facilitation, security) that will generate income and employment. The third element builds social cohesion, using specialists and ‘animators’ whose task is to building up community bonds that are sorely lacking. The final component is an integrated information, monitoring and evaluation system, which is not only a tool of efficient management, but also feeds into a data base that will enable this experience to be duplicated elsewhere.

With an initial budget of 3,674,450 US dollars, the programme is establishing an exhaustive framework of action for the Empresa. It is therefore to be expected that once the programme has been completed the local inhabitants will have become not just the main beneficiaries but also the key custodians and ‘revitalisers’ of this historic space. This integrated and participatory thrust will demonstrate that through the mobilisation of citizen action and close co-ordination between different levels of government (central and local), the impact of the rehabilitation project can be multiplied considerably beyond initial expectations.
5. The culture sector is a source of income and employment

The twofold nature of the cultural industries, at once a source of identity and spiritual value and a massive economic sector in their own right, calls for a double approach: on the one hand, to maximize their potential contribution to the economy and on the other, to facilitate national, regional and world dissemination of endogenous cultural creativity of each people, be it in the performing arts, in the media and audio-visual sectors, in literature or in craft forms, so that none are exclusively exposed to foreign cultural products. By the same token, people everywhere should be able to learn about and appreciate a wide variety of cultural expressions, with the help of new tools that should be deployed to promote diversity rather than uniformity. To attain these goals, a spirit of entrepreneurship needs to be inculcated within the culture sector. To make its case, the sector needs to ensure better stewardship of its human, financial and cultural resources. It needs to organize itself better, marshall its assets more effectively and perform its tasks more efficiently.

II.2. Concrete programmes and projects

1. Heritage conservation

UNESCO has also led international co-operation in concrete domains that are germane to the interactions between culture and development. Most notably, it has been at the forefront of the heritage conservation movement, having been the first agency to demonstrate that the cultural and natural resources of our planet are a legacy for all and hence a shared responsibility; that the tangible and intangible cultural resources which embody the collective memory of communities across the world and buttress their sense of identity and self-worth are essentially non-renewable resources.

In this domain, as in many others, UNESCO has established international standards of practice and behaviour. Among the agreements between nations adopted under its auspices no doubt the most significant and innovative is the World Heritage Convention, for it set up a framework of principles as well as active intervention on the ground and in the field. Today, the Convention has been signed by 155 States, making it the world’s most ratified agreement in the field of heritage conservation and an effective mechanism for international co-operation to respect and preserve the 552 sites that are now inscribed on the World Heritage List.
UNESCO’s international campaigns for the **safeguard of outstanding monuments** have mustered support in spectacular ways. The transfer of the threatened Abu Simbel temples to their new site on the banks of the Nile was one of the greatest engineering feats of all time. It mobilized not just millions of dollars, however, but also a myriad of minds who found the original solutions required to exhaustively document hundreds of monuments and sites that would eventually be engulfed by the waters of Lake Nasser. To date, UNESCO has been involved in 26 campaigns, including, apart from the Nubian monuments, launched in 1960: Venice (Italy); in 1966, Moenjodaro (Pakistan), in 1974; the old town of Havana: Plaza Vieja (Cuba), in 1983; Angkor (Cambodia), in 1991 and Mostar/Sarajevo (Bosnia Herzegovina), in 1995.

In addition to its stimulation of international solidarity, UNESCO has also created awareness of the principle of heritage safeguard through the elaboration of indispensable normative standards and instruments. It has also played a key role in capacity-building and has supported a variety of conservation projects at archaeological sites, in historic city centres and cultural landscapes, as well as for the safeguard of museum objects, i.e. movable cultural property.

Since 1976, the UNDP/UNESCO Regional Project for Cultural, Urban and Environmental Heritage has operated in all the 32 countries of the region. It has been instrumental in setting up 17 conservation centres, it has trained more than 3000 conservators in regular regional and national courses for movable and immovable cultural property. It has established a network of institutions and maintained rosters of experts in the field. It has also provided these institutions and experts assistance for raising capital and disseminating awareness of their needs. It has carried out major feasibility studies for investment and preinvestment projects. It has organized workshops and seminars on matters of cultural and urban heritage, as well as archaeological techniques. Finally, the Regional Project has generated investment of some 20 million US dollars by UNDP for 20 national projects in Brazil, Costa Rica, Cuba, Ecuador, Haiti, Peru and Venezuela, amongst many others.

UNESCO has not focused simply on the monumental, however, for it has broadened the scope of architectural conservation to include the setting and entire urban fabric of historically and socially significant structures and has underlined the link between urban rehabilitation and contemporary life. But even more importantly, it has stressed the fragility and value of the **intangible heritage** lodged
in people's hearts, minds and memories, a heritage made up of such diverse features as language, oral traditions, customs, music, dance, rituals, festivals and traditional medicine. The Organization is currently establishing international procedures for the proclamation of “masterpieces of the oral and intangible heritage of humanity” and to secure support for the safeguard and revitalization of cultural spaces or forms of cultural expression which have been so identified.

Under the Plan of Action of the International Decade of the World’s Indigenous People (1993-2004), UNESCO has stressed the enhancement of the capabilities of indigenous peoples by supporting to projects on bilingual education, the safeguarding of traditional knowledge regarding, in particular, environmental protection, the promotion of crafts and contemporary indigenous literature. UNESCO has also actively contributed to the Iberoamerican Fund for Indigenous Populations, based in La Paz (Bolivia).

Major support is being given to the Programme for the Development of Maya Peoples, in the framework of the implementation of the different peace agreements in Guatemala. In 1997 a project entitled ‘Human Rights and Indigenous Peoples in Guatemala’ was launched with the help of the Danish development co-operation agency DANIDA; its purpose is to train people for leadership at the local level. A similar project is being implemented in the Amazon region (Ecuador). Priority in these programmes is given to educational and training activities. Human rights are universal, but the promotion of human rights of indigenous peoples require a special sensitivity to particular situations, which emphasizes, in accordance with cultural traditions, the collective nature of their rights.

2. **Intercultural dialogue**

Having contributed fundamentally in previous decades to the worldwide affirmation of cultural identities in the wake of decolonisation, UNESCO now promotes richer **intercultural dialogue** in many ways, notably through a series of projects studying the routes that have connected the world’s peoples from time immemorial: *The Silk Roads, the Iron Roads, the Faith Routes, the Routes of the Al-Andalus and the Slave Route*. The purpose of these intercultural projects is to underline the dynamics of interaction between cultures and civilizations, looking into the past to better understand our world today.

The *Slave Route* project in particular encourages the multidisciplinary study of the history of the slave trade to gain a better knowledge of its cultural, social and religious impact, thus enabling all people concerned to recognize their common
heritage. The Route has developed new networks of co-operation, a cultural tourism programme for Africa, Latin America and the Caribbean with a view to restoring and promoting sites, monuments, memorials and cultural events connected with the slave trade. Museums on the slave trade are being set up and an International Day for the Commemoration of the Slave Trade and its Abolition will be celebrated on 23 August.

The newly launched UNESCO Cities for Peace Prize recognizes municipal policies and actions that promote social cohesion, improve living standards and create an urban environment based on respect for cultural diversity, the fostering of neighborhood solidarity and active citizenship.

The Organization has provided guidance and patronage for new, interdisciplinary approaches to cultural histories. Top-level specialists have elucidated both the histories of different regional cultures and the complex web of relationships between them. The best known of these undertakings is the General History of Africa launched in 1964, a considerable achievement of synoptic, trans-national scholarship, whose eight volumes have been jointly published by academic publishers and UNESCO. Other multi-volume series of history books produced by UNESCO which shed new light on human development in all its complexity and contradictions are the History of Humanity, the History of Civilizations of Central Asia, Aspects of Islamic Cultures, and the nine volume General History of Latin America. Compared to the many regional histories that exist already, the singularity of this project is that focuses on social history -- culinary traditions, the emergence of democratic movements, the evolution of languages or of architectural traditions -- emphasizing shared features, rather than the wars and conflict that have divided the peoples of the region.

3. Copyright, creativity and the cultural industries

Since the 1970s, in the wake of International Book Year (1972), UNESCO has had a strong worldwide programme on book development. On the basis of high-level political commitment and constructive public/private dialogue in many countries, national literary creation has been stimulated, the book industry has benefited from favorable fiscal policies, privileged access to bank loans, a larger share of the textbook market, preferential postal rates, export incentives, etc. Book sales have since been boosted in many countries by custom policies and exchange rates adapted to the specific and dual nature of the book sector, which is at once
both cultural and commercial. Reading has been promoted through co-ordination of national library systems, rural reading campaigns, research on reading habits, institutional advertising, etc. World Book and Copyright Day launched by UNESCO has succeeded in mobilizing reading promotion activism in more than 60 countries. Regional reading campaigns such as Periolibros have succeeded in disseminating more than 20 million copies of quality-literature free of charge. UNESCO was also instrumental in the creation of effective regional specialized agencies on book development such as CERLALC (Bogota).
On the basis of an Agreement between the Colombian authorities and UNESCO the Regional Center for Book Development in Latin America and the Caribbean (CERLALC) was established in 1971 in Bogotá. Since then, it has function as a regional relay for the execution of UNESCO’s programmes in this field. Open to any Spanish and Portuguese speaking country, the Agreement has been signed by all of them (Portugal became the most recent one in 1999).

Devoted to promoting reading and access to books on the part of the least privileged groups as well as to the book as a tool of education and a vehicle for culture, the overall thrust of the joint UNESCO-CERLALC policy includes the development of small and medium-scale book production industries (publishing houses, graphics companies, bookshops, distributors, etc.). The provision of adequate legal frameworks and the training of human resources fosters the creation of stable jobs and stimulates entrepreneurship in this area, contributing thereby to combating brain drain – of writers, translators, illustrators, etc.

The relationship between culture and development is articulated clearly in projects such as the “Community Mothers” reading project being carried out in co-operation with the Institute of Family Welfare in Colombia or the periodical publication of the CD-ROM “Integrated Repertory of Books on Sale” being pursued in co-operation with ISBN agencies and Book Chambers in the region.

The regular budget of CERLALC is 1,140,000 US dollars for 1999. Some 60 percent of this is devoted to direct action projects and is supplemented by contributions from Member States, in particular the host country. UNESCO for its part contributes 165,000 US dollars annually under its Regular Programme, for projects approved by the CERLALC Executive Board, of which the Organization is an ex-officio member.

All the countries of the linguistic area, as well as the Inter-American Publishers Group, the Federation of Publishers Guilds of Spain, the ISBN agencies, the World Intellectual Property Organization (WIPO) and the development agencies of a number of countries also support specific projects.

Many tangible results have been achieved over the years. If we take Colombia as a pilot case, we note that in the first ten years after the adoption of appropriate legislation, book production grew twenty times over! Incentives provided to this sector, together with professional training offered, have made Colombia the world’s second exporter of books in Spanish. The country also has up-to-date copyright laws and effective implementation mechanisms. Recent surveys also show a considerable increase in the reading habit.
Given its charter aim of upholding the “free circulation of ideas, through word and image”, UNESCO’s Agreement on the Importation of Educational, Scientific and Cultural Materials, the so-called ‘Florence Agreement’ adopted in 1950, was in fact the world’s first trade treaty of international scope. It has contributed much to removing tariff, tax, currency and trade obstacles to the international circulation of cultural products. Today, with 92 States Parties, the Florence Agreement and its Nairobi Protocol (1976) are extremely relevant to the current dilemmas of market-driven world globalized free trade agreements, as they offer countries the possibility of taking focused measures to preserve cultural diversity and develop their domestic cultural industries.

The Universal Copyright Convention was adopted by UNESCO in 1952 to facilitate the entry of developing countries, but also of the USA and USSR, in the world rights market, by giving due consideration to the cultural and economic environment of each country. As depository of this major international instrument, which introduced the well known © symbol and has been ratified by 98 States, UNESCO has contributed to the international debate on copyright issues, which have become so important today, in both cultural and economic terms, particularly in the context of the new technologies. The Organization also co-administers the Rome Convention (with WIPO and ILO), the Phonograms Convention (with WIPO) and the Satellite Convention (with WIPO) and provides legal and technical assistance to Member States in the field of copyright and neighbouring rights. Following the World Congress on Copyright Education launched by UNESCO in 1987, the Organization introduced copyright as a university discipline, developing curricula and textbooks used today by more than 15 UNESCO Copyright Chairs in Latin America alone.
Teaching Copyright at the University Level

Copyright law enforcement – an impossible task without qualified specialists – ensures that creators are remunerated for the product of their work.

As part of the follow-up to the World Congress on Teaching of Copyright held by UNESCO in 1987, the organization began to promote the introduction of copyright teaching in university curricula. The overall goal of the project is to assist developing countries in educating their own specialists to work in all copyright related infrastructures (i.e. government offices, courts, police and customs services, publishing, film production, show business and other cultural industries).

To this end, a special copyright teaching programme has been elaborated calling upon experts from all regions. In view of the great paucity of specialized publications in this area, the world first manual of international scope was elaborated by Prof. Delia Lipszyc (Argentina) and circulated to all Member States.

Today, more than 15 Universities in Latin American and the Caribbean have incorporated this UNESCO developed programme for copyright teaching into their curricula and have created specialized UNESCO/UNITWIN Chairs. A Latin American Network on the Teaching of Copyright (RAMLEDA) has also been established.

Key partners in the project, whose $200,000 has been borne entirely by UNESCO, have been the CERLALC, Rectors of universities and Deans of faculties of law, as well as UNESCO National Commissions.

UNESCO's efforts in delivering specialized training in this area have shown that only if systematic education is provided by national universities, will the overall copyright situation in developing countries improve.

UNESCO has naturally highlighted the notion of cultural industries, stressing the convergence - and the strategic importance - of sectors such as the film and audiovisual industry, the sound recording industry and multimedia. Policies and co-operative strategies have been elaborated to promote these increasingly expanding sectors where concentration of ownership also poses threats to cultural diversity.

UNESCO has promoted the living arts as well, using the arms-length principle to work through leading non-governmental organizations in the various arts disciplines. It has helped train artists through its fellowship programme and the UNESCO-ASCHBERG Bursaries for Artists and has promoted artistic education. It has worked on key issues of artists’ rights and employment conditions through the 1980 Recommendation on the status of the artist, recently given new impetus by the World Congress on the Status of the Artist held in 1997. Since the 1980s, it has
developed mechanisms to promote contemporary crafts and design as creative sectors in their own right and with a view to income and employment generation, poverty eradication, the empowerment of women and the growth of cultural tourism in developing countries. International prizes and contests such as “Design 21”, participation of crafts people from developing countries in major international crafts fairs, the strengthening of national infrastructures as well as specialized NGOs, and analyzing the place of crafts in world trade (in partnership with the International Trade Center of the WTO) are but a few examples of the Organization’s achievements during its on-going International Ten-Year Plan for Crafts Development, now at mid-term.

**DESIGN 21: Promotion of young fashion designers**

*Design 21* is the first international competition to promote cultural diversity through fashion. Launched by UNESCO in 1995, this project aims to develop cooperative ties between artists, crafts people, manufacturers, journalists and students in fashion schools. It has provided 148 outstanding young designers from 5 continents international recognition through fashion shows and traveling exhibitions. Designers are encouraged to use traditional techniques, motifs and materials and to modernize them to meet market needs. Special emphasis is put on protecting the environment.

The second phase of the project was launched in 1997 with a view to the EXPO’98 in Lisbon under the theme *A United World for the Future Generations: Beyond Time, beyond Oceans*. Designers were selected on the basis of the innovative manner in which they were able to combine respect for cultural identity and the use of renewable, local raw materials.

Carried out in co-operation with partners such as the UNESCO National Commissions, Commissioners of the National Pavilions at EXPO’98, and fashion design schools, the costs of *DESIGN 21- phase I* (US$ 1,350,000), were entirely covered by Felissimo Corporation (Japan). Phase II (US$ 300,000) was funded by Felissimo, Lectra System (France) and Trevira (Germany).

*DESIGN 21* has proved that even the poorest countries can gain access to the fashion industry through adequate use of the talents of their young designers, vernacular materials and especially the valorization of their cultural traditions. The project successfully combined the concepts of creativity, cultural industries and sustainable development.

UNESCO projects such as Cultural Tourism in Latin America and the Caribbean have been conceived with a view to tempering the purely economic dimension through social values and embedding cultural components in tourism development.
Based on basic elements of Latin American identity -- ranging from those of the liberation struggles to those of the pre-Colombian populations – and integrating local populations, this is a model of cultural tourism that can confront the contradictions of the uncontrolled expansion of tourism activities, including drug abuse, sex tourism, environmental degradation, etc.

4. Culture and Democracy

With regard to the promotion of a democratic culture, UNESCO has sought to create conditions conducive to tolerance, civic-mindedness, education and freedom of expression, as all these are hallmarks of a democratic culture. Teaching, disseminating, practising, defending and experimenting with a democratic culture have all been adopted as objectives by the Organization. It has organized major international conferences: Democratic Culture and Development (Montevideo, 1990), Culture and Democracy (Prague, 1991), Education for Democracy (Tunis, 1992), Education for Human Rights and Democracy (Montreal, 1993) and Democracy and Tolerance (Seoul, 1994). Of particular relevance is the Political Development and Democratic Principles (DEMOS) project, an intellectual exercise which has mobilized major figures in Latin American and Caribbean in the search for a new political culture -- a need that has emerged very strongly in the region in recent years. Five "laboratories" which tackled the relations between democratic development, economic modernization and social exclusion led to the holding of the 1997 Brasilia Summit on political development and respect for democratic principles entitled Governing Globalisation. The consensus attained at this regional summit bears witness to the will of the Latin American nations to shoulder together the challenges of democratic governance in a spirit of contemporary humanism. The process is now being expanded elsewhere, with the launching in Maputo, Mozambique of an African DEMOS project in July 1998.

In all of these domains, UNESCO has anticipated and identified emerging issues and needs, providing global analysis of new trends and needs, setting standards for the appropriate responses to them and catalyzing partnerships for implementation. Conscious of the world's vast cultural wealth on the one hand, and the stark insufficiency of resources on the other, it has worked to supplement national investments and stimulate international level. It has invested in human resources and capacity-building in particular.
III. From words to deeds

Behind the insufficiency of resources lies an inadequate political commitment to culture as a public good – in all of the senses outlined in section II above. There is still a large gap between words and deeds. The ideas have not been adequately translated into the kinds of action that can lead to qualitative improvements in cultural policies for development: too few people of influence have been convinced. While culture may appear to be on the ascendant in public awareness everywhere, it remains in the sphere of low priority politics in most countries. This is reflected both in the level of resources it is accorded and in the status of the ministries and civil servants who oversee it. Most cultural ministries and departments still devote their attention mainly to the subsidised arts sector, e.g. theatre, music, etc., without including the commercial sector in their considerations. Popular culture is all too often excluded and domains such as architecture, the design professions and other fields that are closely related to cultural markets are similarly kept out of consideration. The connections are not being made between subsidised, commercial and voluntary cultural activities: publishing, cinema, sound and video recording radio or television often determine whether subsidised or amateur individuals or organisations will have the opportunity to publicise their work. Yet ministries of culture seldom recognise a proactive role for government with respect to the commercially developing cultural industries. Similarly, they have too rarely been able to bring the cultural perspective to bear on a variety of domains, such as the fostering of social cohesion and creativity, and do so cross-sectorally. It has proved difficult to adopt and apply public policies based on the conviction that, as the Stockholm Conference put it, “sustainable development and the flourishing of culture are interdependent”.

This blockage exists at the international level as well, where the international language of trade and commerce increasingly supersedes the language of culture. Global financial institutions are setting policies and creating regulations, which impact deeply on the cultural domain. Since, for the reasons adduced above, the concerns of the cultural arena have little influence on public issues beyond the traditional arts domains, it has proved difficult to go from declarations to practice with regard to the promotion of cultural diversity, e.g. the 1995 G-7 Information Summit. Another major obstacle is that those who argue for the importance of culture are still unable to provide enough evidence of its impact and its linkages to many other sectors of endeavour. As pointed out in Our Creative Diversity, reliable comparative data are sorely lacking. Cultural policy as a field lacks both conceptual
clarity and adequate indicators. Nor does it yet have sufficient reach when it comes
to issues such as democracy, human rights and social cohesion. Therefore new
knowledge is a precondition for progress in this domain. But the mechanisms
required to establish fruitful new relations are still missing. The academic sector
often has the competencies in the application and refinement of conceptual
frameworks and methodologies; the community sector often has the necessary "local
knowledge"; the industry and government sectors have the powers and resources for
policy implementation greater than those of other actors.

For several decades now, UNESCO has marshalled the principles, the arguments
and the data to make the case for bigger, better and more focused investments in
culture. In co-operation with a variety of actors and institutions in the public and
private sectors, it has shown that political and financial decision-makers can be
influenced with the help of evidence of what culture can do - the instrumental
arguments - as well as evidence of its intrinsic worth or value. This means
demonstrating how culture adds value (in the simple economic sense) and values,
weaving its way like a thread through endeavours of all kinds, adding meaning and
impact as it proceeds. The traditional justification for government support to the
cultural sector was the failure of the market in allocating resources and this was the
main justification for public subsidy. This approach justified investments in culture
merely as a cost. Today, however, we can and must argue the benefits of investing
in culture, by demonstrating that culture contributes directly to the economy as well
as to other areas of well-being. Not only does it generate wealth and employment, it
is also the bedrock for social and human capital, a foundation for personal growth
and the acquisition of life-skills, a key vector of social communication and an
essential element in the restoration or building of social cohesion.

Unfortunately, however, many experts have tended to argue the case for culture
in distinctly narrower terms. In recent years, the arguments have focused on purely
financial issues rather than on the deeper sense of economics as the management of
the overall resources of a society. Economic impact studies of investment in culture
have focused primarily on cost benefit analysis, looking mainly at the direct
contribution to GNP, the balance of payments, employment, etc. The results tell only
a partial story, for there is more to the benefit stream than the resources generated,
say, in tourist revenues or from the export of cultural commodities. Hence the need
for assessments that take this reality into account yet respect analytical rigour and
the simple but essential principle of asking the question: who pays and who
benefits? For example, the use of a contingent valuation mechanism to estimate the
The World Bank has suggested the intangible benefits of cultural assets can be drawn on environmental economics to get a more refined appreciation of the costs and benefits involved. Contingent valuation studies indicate that the population attaches great value to the non-market benefits of cultural activities, i.e. benefits that are not only of value to the individual consumer, but to the whole community. The benefits of funds flowing to this sector should not just be evaluated in relation to general macroeconomic objectives; if cultural activities are to be subsidised from the point of view of promoting employment, economic growth, etc., then sectors other than culture might utilise resources in an economically more efficient manner. Instead the methodology of welfare economics should be applied and attempts to estimate the total value of cultural activities be made. One must look for the intrinsic value of culture, above and beyond what it is likely to generate in revenue.

Thus benefits deriving from allocations to the cultural sector can be viewed as positive externalities. These could be consumption externalities which are both political and social in nature. Political, because they benefit the nation by preserving the national cultural heritage and thus helping support national identity. Or these consumption externalities could be manifested in their social impacts in that they help develop an aesthetic awareness, a critical social outlook and encourage creativity which benefits everybody.

It is in this spirit, therefore, that UNESCO argues that policy makers should consider the following five important reasons for greater investments in culture:

- They generate income and employment
- They have measurable social and educational benefits
- They promote innovation and creativity
- They foster local image and quality of life
IV. The case for investments in culture

1. They generate income and employment

The cultural sector is considered to be the third or fourth fastest growing sector in post-industrial economies after financial services, information technology and tourism. Cultural employment represents between 1.5% and 3.5% of employment in most West European countries and in single cities like London and New York there are thought to be hubs of over 200,000 people employed in the culture sector, each representing over 5% of employment.

While the figures would no doubt be lower elsewhere, domestic cultural industries everywhere have become an area of potential investment with clear returns. By cultural industries we understand those products of individual or collective creation, which are reproduced and boosted by industrial processes and worldwide distribution. Cultural industries consist of books, magazines, newspapers, music records, film and videos, multimedia products, and the Latin-American TV series, successfully exported within the region and abroad.¹⁴ All are based on intellectual property rights.

They present a considerable potential to be exploited with the help of adequate legal frameworks and targeted investments, with clear priorities for government participation and private sector initiatives, the leveraging of multiple funding sources, and the promotion of professional training. Countries which have recognized the strategic importance of these "content industries" and have given them adequate attention are privileged both in cultural and economic terms, while nations which have neglected them are confronted with the uneasy alternative of being either overrun by foreign cultural products and contents -- which entails heavy royalty payments and a sense of cultural identity under threat -- or taking the protectionist route of closure. Thus the constitution of a "European audiovisual space" is a promising experiment to preserve specific cultural profiles from encroachment by powerful external audiovisual and communication systems, prevent cultural creativity from being watered down by transnational commercialization and also provide jobs and growth. The same is true of the emerging film industry in Africa.
The impacts of cultural activities...go even wider...They help develop the capacity to handle and respond to change; they can strengthen social cohesion and individual critical thinking; assist in personal development...they can create common ground between people of different ages; they can improve people's mental and physical well-being...they can strengthen people's ability to act as democratic citizens...

Income and employment can also be generated by another culture-linked activity which is tourism. According to data gathered by the World Tourism Organization, in 1994 8 percent of the world's tourists, or approximately 4 million people, visited Latin America and the Caribbean. Current trends show an increase in these figures.

Cultural assets are often the main reason for tourist visits to a city or area. A benefit stream that focuses exclusively on the revenue from tourism, however, not only misses the intrinsic value of the heritage but could lead to erroneous conclusions. The first such conclusion would be that those areas of cultural heritage where one could not generate a sufficiently large tourist stream are not worth investing in, thus denying its intrinsic worth both for local people and for the world at large. The second conclusion would be that the maximization of the tourists visiting a place and the amount they spend is desirable, since it increases the income stream. In fact, in many cases, such a development would destroy the charm of the place and denature the activities that are endogenous to the cultural setting. A third conclusion would be that if another and mutually exclusive investment - say, in a casino on the beach - would result in increased tourist revenues for the country, we should have the cultural heritage site unrestored and build the casino in its place. The message here is that there is in fact more than just income involved. Cultural tourism as a "bankable" activity must also allow the local population to obtain economic advantages and a certain sense of satisfaction from any touristic development, in terms of jobs, income and self-pride. National or local authorities should make a profit in terms of direct and indirect taxation on heritage resources as well as in terms of image and international recognition. It is necessary that the tourism sector understands that it feeds off culture and depends on it, that it has the responsibility, potential and purpose to ensure the conservation of heritage resources of significance, the enhancement of their appreciation and providing for community development (Tshwane Declaration adopted in South Africa in February 1997). Tourism policies are chiefly aimed at attracting visitors and rarely conceived to make destinations more attractive to their own residents. Projects need to be developed that ensure that tourism projects and increasing the quality of life for citizens are part of the same strategy.

2. They have measurable social and educational benefits

The impacts of cultural activities and the creative industries go even wider, however, They help develop the capacity to handle and respond to change; they can strengthen social cohesion and individual critical thinking; assist in personal development and increase personal confidence and improve life skills; they can
create common ground between people of different ages; they can improve people's mental and physical well-being, as path-breaking art therapy work with war traumatized people in Croatia, Rwanda and elsewhere has shown; they can strengthen people's ability to act as democratic citizens and develop new training and employment routes.

3. They promote innovation and creativity

Cultural expression is based on innovation and creativity, both within any given form of cultural expression but also when arts-trained individuals work with others in different fields. Throughout history, human communities have drawn on this creativity as a means of survival and adaptation. Legitimized in the arts themselves, creativity is increasingly also seen by business as the key attribute sought out in employees. As we move towards a knowledge-based economy creativity will be at a premium because it creates the capacity to think problems afresh or from first principles; to be reflexive; to experiment; to dare to be original or rewrite rules; to be unconventional; to visualize future scenarios; to discover common threads amidst the seemingly chaotic and disparate; to look at situations in an integrated way, laterally and with flexibility. In many emerging business fields such as multimedia, it is people with arts training that are in particular demand precisely because they think and act in the ways outlined above.

Whilst concerns such as these may appear distant from the realities of poverty and conflict in Latin America, they are issues that need addressing. This is because it has become quite clear that cultural attitudes have decisive effects on productivity and quality – and for that reason on competitiveness in the world market. Culture influences research, design and creativity in production; it underlines all work and institutional behaviour; it determines savings and consumption patterns. In a free market environment, culture is a key factor in the ability of an enterprise and a country to compete.

4. They foster local image and quality of life

The core images a country, city or community projects of itself are cultural images. These images are generated in all kinds of direct and indirect ways, ranging from an artistic performance to the peripheral images and background projected through the media. They embody the distinctive identity of each community in a world where places increasingly look and feel the same. They can anchor their sense
of being and foster civic pride, a pride that in turn can give confidence, inspiration and energy.

These local images, taken together with the previously identified impact areas, make culture increasingly central to the notion of quality of life. City or regional marketing strategies the world over tend increasingly to focus on their cultural offer, the presence of artists, creative people and cultural industries in general. Culture is thus a means of attracting international companies and their mobile workforce who seek a vibrant cultural life for their employees. By helping to create positive images the cultural sector has a direct impact on inward investment. This is particularly relevant in an economic context of globalization combined with localization. The term *globalisation* has been ascribed to this coincidence of global economic forces amid a localisation/regionalisation of production and economic management. In such a context, culture sustains collective identity, social interaction and collective action, especially, in the field of economic development. Thus, this manifestation of regional identity through action will further contribute to and maximize the potential for economic, social and political development by developing a culture of innovation and creativity. A key challenge is to increase the value of cultural activity without denaturing the cultural assets that underpin and attract that value in the first place; to allow the cultural industries continue to grow in ways that do not diminish or trivialize the local cultures. This requires the forging of alliances with other sectors so as to achieve the positive externalities.

Building such alliances requires the involvement of all the stakeholders who must be a part of the decision making process: the international, regional, national and local governments, the private and the public sectors, the civil society and the international agencies, with special attention being given to the role of women and the empowerment of the poor. Local communities can be involved by increasing their participation in the identification of conservation priorities and in linking these priorities to broader development needs (so as to achieve greater efficiency) and by demonstrating the social and economic benefits of such projects.

It is for this reason that research in cultural economics is needed so as to develop a body of knowledge on cost-benefit analysis and economic returns on cultural investments, along with new methodologies to evaluate the intangible benefits. This work is essential for advocacy and for financial support -- in times of increasing economic austerity, budgets for culture are usually the first to be cut.
V Towards cultural policies for development: a checklist

In the light of the preceding arguments, we conclude with a checklist of nine policy recommendations. Each of the domains concerned appears crucial for the establishment of policy frameworks that can maximize the value of culture for sustainability, development and governance and justify investments in cultural programmes and projects.

1. Adopt an anticipatory stance: understand, foresee, prevent

The need is to adapt to evolving conditions of cultural production and consumption and anticipate future conditions which are bound to be generated by further rapid change. Another major challenge is to respond creatively to the international pressures working against cultural diversity. It is essential therefore to harness individual and collective capacities for innovation and anticipation.

2. Adopt a cross-sectoral approach

Policies for culture should encompass much more than the traditional culture sector (the subsidized arts and heritage) and include objectives of human development, pluralism and overall creativity. The culture sector itself should not be expected to operate as an island on its own; as long as it does so only limited results can be expected. It is only in concert with other areas that cultural resources can be deployed as tools to tackle issues such as lack of social cohesion or unemployment. Hence objectives for culture must be integrated into a broader range of policy formulation and policy actions. It is essential therefore that a cross-sectoral approach be adopted, with the help of structured and sustained cross-departmental working arrangements, e.g. between cultural affairs on the one hand and tourism, social affairs, education, youth affairs, urban planning, commerce and economic development on the other.

3. Promulgate an ethical commitment

Making culture a central dimension of development means recognizing ethical principles as part of the stock of productive resources of any society. Hence development-related issues cannot be dissociated from ethical issues: approaches to employment, social policy, the redistribution of resources and incomes, citizens'
participation, gender inequality and the environment can no longer be dealt with in an ethical vacuum. This ethical approach implies that the private sector has a responsibility towards society. We must therefore rise above the divisions between the market, government and the third sector. We need to identify the ways in which the forces of the private sector can contribute their own know-how and shoulder their share of collective responsibility, adopting as their own the community’s goals of social progress, a broader range of individual and collective options and cultural development.

4. **Build inclusiveness**

   Broadening the scope of policies for culture, adopting a cross-sectoral and ethical approach requires a fourth ingredient: conditions that allow all citizens to participate and benefit, regardless of age, gender, or cultural and ethnic background. Respect for freedom of choice and expression, and real participation are key elements for inclusive policies. Such policies are essential because the denial of the cultural identity of any group, or of any individual's right to equal access to the cultural life of their society undermines human development. Such access determines how much 'space' is made available to disadvantaged groups to build their own representative organizations. It is linked to the empowerment of all cultural groups: the state needs to develop public institutions that encourage contributions from all parts of society, while society needs to give pluralistic access to information, channels of expression, representation and redress.

5. **Balance past and present**

   While the heritage is essential to allow citizens to tell their collective story, contemporary cultural production is an intrinsic value and can also feed into various productive sectors of the economy. Hence the need to strike a balance between fostering heritage and contemporary culture. The key areas to be developed are creation, production, distribution and promotion, with a view to consolidating a space for domestic cultural products.

6. **Foster the creative economy**

   Encourage measures built around the notion of the "creative economy" in order to allow each people to participate fully in the global culture yet ensure that its unique voice is not drowned out in the process. This means providing incentives to creators, artists and industry that can stimulate domestic cultural industries (production, distribution and consumption). They need to be given opportunities to
develop new ‘content’ products and services reflecting their own concerns and interests, as well as the means of ensuring that these cultural goods and services can compete in domestic, regional and global markets.

7. **Promote enabling legislation and political frameworks**

We need policies that are both creative and responsible in the context of globalization, that defend the public interest and respond to the challenges and opportunities of different cultures. To make such policies effective we require not just the appropriate visions of culture but also legal and political frameworks to support them. These would include regulatory measures that create an enabling environment for creative artists and creative enterprises in the cultural sector, and effective copyright protection. In addition, the culture sector should be weaned away from exclusive reliance on public sector support. Other methods may foster self-sufficiency more effectively, e.g. taxation systems that provide investment incentives, loans for activities that could have a commercial return and training in management for cultural institutions. Government institutions should also be drawn together with practitioners in the creative industries, to explore ways in which they might assist the former to achieve their economic potential, and how governments can help remove obstacles to growth.

8. **Create a new knowledge base**

The practical integration of culture in development requires reliable statistic data, to give us a better understanding of development and investment trends in the cultural sector and of the consumption of cultural goods and services. This new knowledge should be developed through the exchange of information between governments, the cultural industries sector and civil society. Meaningful new indices would help set targets; they should be sought and applied in contexts where the widest possible range of stakeholders can be involved.

9. **Develop a strategy of influence**

Even if arguments about the value of culture begin to take hold, further advocacy is required to ensure the implementation of these ideas. New coalitions need to be built among the various actors in different sectors and at all levels of society, whose activity forms and renews the ‘social capital’ constituted by culture in so many different ways. One way of achieving this goal would be to establish cross-sectoral groups made up of government officials, representatives of the private and
foundation sectors, and non-governmental organizations and academics, who can become "actors for change" operating at different levels of society, and creating a multiplier effect. Once the key actors have been identified, the cultural stakes of each group should be explored and understood. The next step would be to convene multi-stakeholder groups to encourage advocacy, information sharing and the strengthening of the legal and administrative mechanisms referred to above. Resources and needs should be determined on the basis of thorough research and audit. Human and financial resources should then be sought from a range of sources, public sector as well as foundations, private companies and public sector agencies active in culture-related fields, so as to launch a series of culturally inspired projects. Projects that constitute "best practice" should also be identified and documented.
VI. Together towards the future

This paper has tried to explain the reasons why, as the World Commission on Culture and Development has observed, it is ever more necessary today to ‘see development in terms that include cultural growth.’ It has tried to show why the interconnections between culture and human development are both substantial and, even when these linkages are intangible and their impacts resist quantitative measurement.

It has explored the ways in which people find multiple meanings, bonds and values in their cultures, all of which are vital sources of individual as well as social motivation and energy.

It has argued that in consequence culture needs to be brought to the heart of all development policy.

Finally, it has demonstrated that concrete programmes and projects can and must be fashioned from the legacies and living resources of cultures to achieve both human development and cultural growth.

Today, the ways the world’s peoples themselves are living the linkages between culture and development and the ways in which they seek to renew and enrich them are as diverse as cultures are themselves.

In Latin America and the Caribbean, the binomials ‘culture’ and ‘development’, ‘tradition’ and ‘modernity’, have been discussed for over three decades now. Because of the failure of development policies indiscriminately applied, and this is particularly true in the context of regional integration, the need has emerged to rethink the specificity of the cultures of the region and the ways in which these specificities can be factored into all development projects. In 1982 MONDIACULT, the World Conference on Cultural Policies, more recent Inter-American Summits, as well as many other regional gatherings, especially the Forum of Ministers of Culture, have been landmarks on the path to bringing culture ‘in from the margins.’ Nevertheless, despite the repeated statements of the importance of culture as a fount of values and solidarity, as well as of rich diversity, the unanswered question is why, in the 1990s, the entire region has experienced development of such a skewed and exclusionary sort.
It is in the context of this unanswered question that UNESCO stands ready to join hands with the Inter-American Development Bank as it comes to grips with the diverse cultural wealth of Latin America and the Caribbean, so full of challenges and potential for development.
Notes

1 According to the *World Culture Report*, (UNESCO 1998) trade in cultural goods has grown exponentially in the last two decades. Between 1980 and 1991, world trade of printed matter, literature, music, visual arts, cinema, photography and radio and television, has almost tripled from 67.090 US$ million to 196.500 US$ million.

2 *Economia da cultura*, paper prepared by José Álvaro Moisés, with the collaboration of Roberto Chacon de Albuquerque, on the basis of research supported by the João Pinheiro Foundation and delivered at the “Encontro do Conselho de Cultura da Associação Comercial do Rio de Janeiro”, 5 August 1998.


4 As the IDB President Enrique Iglesias pointed out to the General Conference of UNESCO in 1997, “there are multiple aspects of the culture of each people that can enhance their economic and social development: the task before us is to uncover these aspects, capitalize and base our efforts upon them. Doing so in all seriousness means redefining the whole development agenda.”.

5 See footnote 11 on Conventions and Agreements of a standard-setting nature adopted under the auspices of UNESCO


7 “Culture... is ... the whole complex of distinctive spiritual, material, intellectual and emotional features that characterize a society or social group. It includes not only arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions and beliefs.”


Recommendation on the Status of the Artist (1980)

12 Detailed facts and figures on the Latin American programmes and activities are to be found in the paper entitled: Heritage and Development: an overview of twenty-five years of UNESCO-supported activities in Latin America and the Caribbean, 1974-1999, prepared by Sylvio Mutal, February 1999.

13 Charles Landry, Cultural Policy in Croatia (From Barriers to Bridges – Reimagining Croatian Cultural Policy), Report of a European panel of Examiners for the Council of Europe, July 1998. Many of the ideas put forward in the pages that follow were formulated by the author and his colleagues in their cultural policy review work for the Council of Europe and emerge from the work of the think-tank Comedia, established by Charles Landry.

14 In Venezuela alone, broadcast rights for telenovelas were between 30 and 60 million US dollars in 1992, as compared with traditional export sectors such as the automobile (53 million dollars) and paper (45 million dollars) industries. Boletín de Industrias Culturales. N°1, CICCUS, Argentina


17 Charles Landry, op.cit., p.34.