

UNESCO SITES AS PUBLIC GOODS: COMPARATIVE EXPERIENCES IN ITALY

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ABSTRACT: The inclusion of a site in the UNESCO World Heritage List is a “recognition” that can be interpreted as a local public good. This paper analyzes the effectiveness of the UNESCO recognition in promoting tourism and, more generally, local economic development. We document relevant performance differences across Italian UNESCO sites. We argue that the relevant key factor is the ability of generating additional public goods, starting from the process of recognition. The most recent approach of UNESCO in selecting the sites to include in its list underlines the importance of the immaterial culture embedded in the sites, and the role of local communities in their relationships with the environment and heritage: this is interpreted as a sign of the importance which has to be due to the generation of common goods for making the UNESCO recognition an effective tool to preserve heritage and to use it to promote economic, social and cultural development.

KEYWORDS: UNESCO; World Heritage List; social capital; immaterial culture; creativity.

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PATRIMÔNIOS DA UNESCO COMO BENS PÚBLICOS: EXPERIÊNCIAS COMPARADAS NA ITÁLIA

RESUMO: A inclusão de uma localidade na lista do patrimônio mundial da UNESCO é uma forma de “reconhecimento” que pode levá-la a ser interpretada como um bem público local. Este artigo analisa a efetividade desta forma de reconhecimento conferida pela UNESCO na promoção do turismo e, de maneira geral, do desenvolvimento econômico. Para isso, nós levantamos diferenças relevantes no desempenho de vários bens italianos listados pela UNESCO e discutimos que um fator chave nesse sentido é a capacidade de se gerarem outros bens públicos adicionais, a partir do processo de reconhecimento pelo órgão. A abordagem mais recente da UNESCO para a seleção dos bens a serem listados ressalta a importância da cultura imaterial relacionada à localidade e o papel das comunidades locais nas relações estabelecidas com o ambiente e a herança cultural: isso é interpretado como um sinal da importância da geração de bens comuns que torna o reconhecimento pela UNESCO uma ferramenta eficaz na preservação da herança e na promoção do desenvolvimento econômico, social e cultural.

PALAVRAS- CHAVE: UNESCO; lista do patrimônio mundial; capital social; cultura imaterial; criatividade.

1. INTRODUCTION

This paper deals with the relative “success” of sites included in the UNESCO World Heritage List (WHL). November 2016 marks the 44th year of the UNESCO Convention which established the creation of the List. Today, the UNESCO WHL includes 1052 sites, across all continents¹.

The UNESCO List enjoyed, and continues to enjoy, a high prestige: it represents a good help to preserve the globe’s history, as expressed by cultural heritage – which can be seen, under this perspective, as a *global* public good. We take here a different perspective, and focus on the *local* public good nature of the inclusion of a site in the UNESCO WHL.

Several local communities, regions and states apply to obtain the inclusion. Local and national authorities, and policy-makers, all over the world, strived (and continue to strive) for obtaining the recognition, and tried (and try) to use such a recognition to gain electoral support. However, how much the recognition is important to sustain the social welfare at the local level is an open question.

Some observers and scholars have openly criticized the UNESCO WHL for different reasons. First, a conflict could exist between preservation and use of recognized sites; heritage, as a public good (or, more precisely as a *common* good – as long as its use is subject to a certain degree of rivalry), entails problems of inter-generational and intra-generational distribution of costs and benefits. While the recognition from UNESCO has the preservation for future generations as the first aim, the local communities typically strive for obtaining the recognition with the final aim to promote the economic exploitation, and notably to be attractive for tourism. Second, there is a conflict between aims and instruments of UNESCO: in front of the very ambitious goals, strict economic and financial constraints characterize the available resources. Third, the distribution of UNESCO properties across continents (and countries) is rather uneven – with Europe and North America playing the largest role (48% of properties are in Europe and North America), this could be a sign of “Western-centric” vision of culture by part of UNESCO. To this respect, a growing attention is paid to the “political economy” determinants of the inscription into the WHL, as long as the composition of UNESCO Committee does matter, in the inscription into the WHL (BERTACCHINI and SACCONI, 2012; FREY and STEINER, 2011, 2013).

Two further aspects have been perceived sometimes as critical points – at least as far as the UNESCO behavior until some years ago concerned. The UNESCO recognition

¹ The detailed list can be found at: <http://whc.unesco.org/en/list/>.

paid limited attention to issues related with *sustainable local development*. As a matter of fact, however, this aspect has gained increased importance over the last years, and specifically following the Budapest Declaration in 2002. Finally, according to some observers, only limited attention was devoted to *cultural diversity*, – a further sign of a “Western-centric” vision; however, also in this case, the *2005 Convention on the Promotion and Protection of the Diversity of Cultural Expressions* can be seen as an attempt to overcome these criticisms.

In this paper, we take the perspective of a territory, which is evaluating whether or not to apply for the UNESCO recognition, considering costs and benefits from it, and the most recent decisions of UNESCO on the characteristics of the sites inscribed into the WHL. Moreover, we focus on the economic impact of UNESCO recognition on the local economy, and the ways in which it can affect local development. The importance of public goods for development processes is very well-known in the literature. Thus, we will argue that the UNESCO recognition can play an important role, as far as it is a public good, which can be used in several production processes; however, its success crucially depends on the ability to foster the creation of additional, different, public goods. More specifically, the main point of the present paper is the fact that the economic value of recognition depends on the way in which the process for obtaining recognition has been developed, and the extent to which additional local public goods are created thanks to the inscription process.

Apart from the specific endowment of physical capital (and, of course, natural and/or cultural heritage), the amount of human capital and especially social capital characterizing the territory do matter as far as the effectiveness of the recognition is concerned. Moreover, the management of the site and its governance rules play a relevant role, both before and after the recognition. We will point out that the nature of the sites selected by UNESCO for the inclusion into the WHL has been slightly changing over the years, and the importance of different attributes, to obtain the recognition, has been varying. More recently, a lot of attention has been devoted to the connection of local communities with environment and heritage, to the body of local, idiosyncratic knowledge, and to the “creative atmosphere”. More specifically, we aim to analyze the effectiveness of the inclusion of sites into the UNESCO WHL on the promotion of a local development model based on creativity atmosphere in the protected sites. Creativity atmosphere itself, made by the valorization and the reinterpretation of the local culture, can be considered as a local public good (BERTACCHINI and SANTAGATA, 2012).

Italy, with its large set of UNESCO sites, can provide interesting case studies: Italy counts on 47 historical and four natural sites, across (nearly) all regions, inscribed from 1987 to today. The net benefits from the UNESCO recognition widely vary across these properties. In some cases, the net benefits are clearly positive, while in others

they are debatable, or even negative. We investigate and suggest some possible explanations for such mixed evidence.

2. THE SITES IN THE UNESCO WORLD HERITAGE LIST

From 1977 to 2016, 191 State Parties have adhered to the World Heritage Convention; out of these 191 States, 165 States have at least one cultural site in the WHL.

Sites of different nature are included in the UNESCO WHL. At the moment, they are 1,052, and are of cultural, naturalistic or mixed interest (the majority, about 77%, is cultural). More specifically, the list includes:

- Specific monuments (like São Francisco Square in the Town of São Cristóvão in Brazil or the Church and Dominican Convent of Santa Maria delle Grazie with “The Last Supper” by Leonardo da Vinci in Milan, Italy);
- Specific cities (like the historic center of Salvador de Bahia or Brasilia in Brazil, or Florence, Verona and Ferrara in Italy);
- Areas with different cities and monuments joint by common style (like the Jesuit Missions of the Guaranis, between Brazil and Argentina, or the Baroque area of Valdinoto in South-Eastern Sicily in Italy);
- Specific natural attractions (Iguacu falls, at the border between Argentina and Brazil; or Volcano Etna in Sicily, Italy);
- Natural areas and landscapes (like The Central Amazon Conservation Complex, which is the largest protected area in the Amazon Basin, or the Dolomites in Italy);
- Areas characterized by immaterial cultural endowment (Rio de Janeiro: Carioca Landscapes between the Mountain and the Sea, in Brazil; Vineyard Landscape of Piedmont: Langhe-Roero and Monferrato, in Italy).

Most of them are located in one country, but some properties (34) are inter-country. Some concern one municipality, some others concern a set of municipalities.

Of course, several questions can be posed, concerning whether this distribution has any effect on the credibility of the WHL; or whether the World Heritage List is too extended, and hence unable to protect the heritage. One could also wonder whether the longer the list is the smaller is the importance of the inscription in terms of the historical value of the site and the economic impact on the local areas.

In what follows, we argue that it is difficult to provide a unique answer to these questions, since the specific experiences are really different, and they crucially depend on institutions and behaviors in the local communities.

The behavior of UNESCO itself has been changing, partly to take into account criticisms and suggestions, and also on the consideration of the results obtained by properties included in the WHL. Generally speaking, while the sites receiving the recognition in the first years after the signature of the Convention were specific monuments or historical centers of cities or natural attractions, the most recent inclusions regard complex areas; a larger and larger attention is devoted to the immaterial cultural endowments of sites.

To this respect, it could be interesting to report the motivation of the inscription of Rio de Janeiro, in 2012. The stress is posed on both the material and the immaterial endowments:

The site consists of an exceptional urban setting encompassing the key natural elements that have shaped and inspired the development of the city: from the highest points of the Tijuca National Park's mountains down to the sea. They also include the Botanical Gardens, established in 1808, Corcovado Mountain with its celebrated statue of Christ, and the hills around Guanabara Bay, including the extensive designed landscapes along Copacabana Bay which have contributed to the outdoor living culture of this spectacular city. Rio de Janeiro is also recognized for the artistic inspiration it has provided to musicians, landscapers and urbanists. (WORLD HERITAGE COMMITTEE, 2012)

The same can be repeated with reference to a very recent (2014) inscription in Italy, the Piedmont vineyard landscape:

The vineyard landscapes of Langhe-Roero and Monferrato in Piedmont consist of a selection of five distinct winegrowing areas and a castle, whose names evoke profound and ancient expertise in the relationship between man and his environment [...] The serial property is outstanding for its harmony, and the balance between the aesthetic qualities of its landscapes, the architectural and historical diversity of the built elements associated with the wine production activities and an authentic and ancient art of winemaking. [...] The vineyards of Langhe-Roero and Monferrato constitute an outstanding example of man's interaction with his natural environment. [...] The winegrowing landscape also expresses great aesthetic qualities, making it into an archetype of European vineyards. (WORLD HERITAGE COMMITTEE, 2014)

In what follows, we seek to show that the immaterial endowments – and the ability to produce material and immaterial public goods – mainly affect costs and benefits of inscription into the WHL.

3. THE ECONOMIC IMPACT OF THE INCLUSION IN THE WHL: LITERATURE

Two main strands of literature concerning the economic effects of inscription into the UNESCO WHL can be distinguished, based on a case study approach and macroeconomic data analysis, respectively.

3.1. CASE STUDIES

The body of literature on case studies concerning the issue at hand is very large, with contributions from different social perspectives; among others, we can mention: Mason *et al.* (2003) on the case of Hadrian's Wall; Mason and Kuo (2008) on Stonehenge; Regalado-Pezúa and Arias-Valencia (2006) on Machu Picchu; Jimura (2011) on Ogimachi – Shirakawamura, Japan. Each of these studies has a specific focus: Mason *et al.* underline the importance of a proper management plan for the sites to be effective in attracting tourism; Mason and Kuo are worth mentioning for the stress on the importance of visitor satisfaction; Regalado-Pezúa and Arias-Valencia stress the sources of concerns about long-run sustainability of tourist flows; Jimura focuses on the impact of UNESCO recognition on the local community and its identity. In the next section, we will focus on Cuccia (2012) who provides evidence concerning the case study of the Baroque cities in the South-Eastern Sicily, which is instructive for the point of this paper. As we will show below, the body of evidence concerning the performances in these different cases is very mixed, and we will try to understand which factors can explain such mixed results. Explicit comparative analyses across different UNESCO sites are offered, among others, by Shackley (2006), Pricewaterhouse Coopers LLP (2007) and Prud'homme *et al.* (2008).

Considering the above-mentioned studies, and borrowing from Pricewaterhouse Coopers LLP (2007), we can say that cost and benefits depend on three general features of the sites.

First, the ownership structure, with its governance rules and management organization. Needless to say, even if sites are private properties, their existence value is a public good. If sites are in single ownership (let us think of Churches) they are often already “managed” in a way in which costs, expenses, and revenues are clearly associated to the specific owner. Where sites are in single ownership the opportunity is often available to gain income from visitors, allowing private funding to be used to support the conservation of the site, although this is not true in all cases. More complex ownership arrangements often take place in sites of a more significant scale and these require much more complex partnership structures: this has both a *negative effect* on costs (it increases the costs associated with partner and staff time; coordination cost),

and a *positive effect* (it increases the opportunity to involve partners in the funding of the site). However, coordination costs are not negligible. Conflicts among local municipalities in managing the sites are not negligible as well.

Second, the “fame” of the site. Those sites which are already well known and established ‘heritage brands’ in their own right may perceive that they have little need for the UNESCO recognition. They therefore use it to a limited degree in their marketing, educational or other activities and as a result gain little benefit from it. The recognition could even run the risk of contributing to the depletion or even destruction of a site: the increase of visitors’ number can accelerate deterioration; the sites can become a target for terrorists or even in wars.

Third, the location of the site. Some sites are located in densely populated urban locations where they operate as living sites; others are located in rural locations, which present entirely different challenges and opportunities. In terms of costs, urban locations are generally likely to require a more significant level of resource in management since the levels of activity within or surrounding the location are higher.

Still inspired from Pricewaterhouse Coopers LLP (2007), a list of detailed sources of costs and benefits can be proposed.

The costs for obtaining and having UNESCO recognition include: supporting studies and documentation (during the process); management costs, and costs related to monitoring, periodic and planning control (at the WHS status); production cost for providing goods and services to visitors, with possible problems of congestion; cost for building or renewing infrastructures; increased economic activity may entail larger level of crime. Moreover, from a macroeconomic perspective, an increase of market value of houses is regularly observed, with clear redistributive effects: the owners and the building industry in general gain benefit (in rents and profits, respectively), while potential buyers perceive these effects as negative externality.

As far as the benefits are concerned, we could mention the following aspects deserving attention. *Partnership*: the process for obtaining the recognition, and the status of World Heritage site (WHS) increase the level of partnership activity through preparatory works and the consultation required to create and fulfill the requirements of the management plan; *additional funding*: as a result of gaining the World Heritage status, and through the diverse range of partners involved, the site is likely to be viewed more favorably, particularly by conservation and heritage based funding sources; *conservation*: the additional funding generated by WHS status improves conservation levels and the increased visibility provides greater scrutiny in planning applications influencing the scale and quality of local development; *regeneration*: WHS status is assumed to be a catalyst for regeneration, mainly through stimulating (public and private) investments; *building new infrastructures*: the empowerment of infrastructure

should be a positive externality for everyone, at least in the long-run; *civic pride*: WHS status can be seen as a mechanism for building local confidence and civic pride; *social capital*: WHS process and status can be able to provide increased social unity and cohesion through increasing opportunities for interaction and engagement within the local community. Moreover, the increase of reciprocal trust among the involved subjects can emerge as a result of repeated interactions.

Tourism development deserves a point apart. WHS status is suggested to provide a promotional advantage to a tourism destination and a “branding effect” which encourages additional visitors. However, this point is very debatable, as tourism can contribute to the decay of the heritage and the quantitative variation specifically due to WHS is hard to measure. In general, over the years around the recognition evidence indicates that the effect on tourism flows (as measured by tourist arrivals) is likely to have a slight effect (about 0.3%) and this will be stronger for less “famous” sites (see, e.g., PRICEWATERHOUSE COOPERS LLP, 2007; CUCCIA and RIZZO, 2011).

3.2. MACROECONOMIC STUDIES

The second strand of economic literature we are dealing with bases on macroeconomic data. We are not even mentioning here the huge literature on the general links between tourism, on the one side, and economic growth and development on the other side (see BRIDA and PULINA, 2013; PABLO-ROMERO and MOLINA, 2013, for recent reviews). We are simply interested in the link between the heritage endowment (possibly with the UNESCO recognition) and the dynamics of tourism.

The primary aim of WHL is the protection of heritage. Sometimes, the protection can go in trade-off with economic benefits, but in many other cases, the valorization of heritage is a condition to its protection. In general, the results are far from being clear-cut, even if scholars sometimes try to present instances to convince that, despite mixed evidence, culture, and specifically the inclusion in WHL, play a significant role in attracting tourist flows. This body of literature is very large, so that we can only mention some representative studies that employ different analysis techniques.

Arezki *et al.* (2009) consider a set of national data coming from 127 countries over a two-decade period to analyze whether specialization in tourism matters for growth; the specific interest is not in UNESCO sites, but UNESCO sites are shown to be significant in explaining country specialization in tourism.

Yang *et al.* (2010) consider a panel of data from Chinese provinces, and show that the presence of monuments (and specifically monuments with a national recognition corresponding to the inclusion in the UNESCO list) affects international tourism

flows. Cellini (2011) questions the interpretation of the estimates provided by Yang *et al.*, as long as the significance disappears when appropriate fixed effects are considered in the panel data estimation. In the same article, Cellini provides results about the effect of UNESCO sites in shaping regional tourism flow across Italian regions; such effect appears to be insignificant, in a cross-section context. This does not entail, however, larger efficiency in tourism service production.

Botti *et al.* (2009) study the effect of cultural endowment, in the case of French regions: they find that monuments and museum can only contribute to increase the efficiency of the French regions in terms of increasing the length of stay (and the main explanatory factor for the regional efficiency in providing tourism services is the beach endowment). Cracolici *et al.* (2008), in a study on Italy employing Data Envelopment Analysis tools, observe that the over-endowment of cultural and historical capital negatively affects the productivity measured in terms of tourist flows of the Italian provinces. More recently, Cuccia *et al.* (2016) find that the cultural and natural endowments positively affect the efficiency scores of the Italian regions, but the cultural endowment enlisted in the WHL has an opposite effect. They suggest that a “paradox of utilization rate” emerges: the expectations linked to the UNESCO recognition lead to set-up several hotels and accommodation structures, but if the increase of tourism is not so large as expected, the utilization rate of accommodation structures goes down – leading to the conclusion that the tourist industry becomes less efficient, as a consequence of the UNESCO recognition.

Again, Patuelli *et al.* (2013, 2014) or Cafiso *et al.* (2016) provide evidence about the effectiveness of UNESCO properties in acting as pull – or push – factor in shaping the inter-regional flows of domestic tourism in Italy. The emerging views, also in these cases, are not unanimous. Admittedly, the presence (and even the number) of UNESCO properties appear to be effective attraction factors (PATUELLI *et al.*, 2013); however, the quantitative effects differ across the econometric specifications considered by different analyses; moreover, the consideration of territorial spill-over effects may lead to less clear pictures (PATUELLI *et al.*, 2014; CAFISO *et al.*, 2016).

4. SOME CASES ACROSS ITALY

Italy displays an impressive variability across different sites as far as the success of UNESCO recognition is concerned. An immediate and ready-to-use (though partial) index to assess the success can be the pattern of tourist overstays. We select here some representative cases to highlight our point that the different outcomes can be explained by the different ability to generate additional local public goods.

Ferrara (in Emilia, Northern Italy), inscribed in 1995 for Renaissance urban structure and the environment, shows a steady increase of tourist overstays, starting about five years before the recognition (that is, when the process for inscription started), and lasting for more than ten years after the recognition; in the years both before and after 1995, Ferrara out-performed the national data on the growth of tourist overstays. Valdinoto (a serial site in Sicily, inscribed into the WHL in 2002 for the architectural Baroque style of the towns in this area) out-performed the national data in the years before the inscription, but the growth of tourist overstays stopped after the recognition. Aeolian Islands (in Sicily, inscribed in 2000 for naturalistic reasons, and specifically for the volcanic landforms), show modest performance (in line with, or even below, the national data) both before and after the recognition. (Details on the performance of Sicilian UNESCO sites are provided by CUCCIA and RIZZO, 2011.) Thus, Ferrara represents a case in which the inscription generated a sustained growth of tourism overstays; Valdinoto represents the case in which the growth occurred in the years during the inscription process; it reached a “new level”, and then stabilized to such a new level. In the case of Aeolian islands, significant effects emerge neither before nor after the recognition. What happened in tourism overstays can apply to other relevant variables, like the per-capita income at the local level: the inscription can have permanent growth effect, simply level effects, or no effect at all.

The case of Valdorcia-Pienza (in Tuscany, inscribed in 2004 for the agricultural landscape), analyzed by Moreschini (2015), is even more significant in this respect: in Valdorcia several municipalities are involved, and the performances of these municipalities are significantly different. If we set equal to 100 the tourist overstays in each municipality of Valdorcia-Pienza at the time of five years before the start of the procedure to obtain the recognition, the index is equal to numbers ranging from about 400 to about 800, as observed five years after the recognition (MORESCHINI, 2015, p.126). Thus, in front of such different performances we have to conclude that they differ in some relevant (hard-to-observe?) characteristics.

Our point is that the inscription in itself is not so important; what is really important is the processes which are activated: (i) in order to obtain the inscription, and (ii) thanks to the inscription. Cuccia (2012), for instance, suggests that the relative success of Valdinoto (within the Sicilian sites) is due to the larger density of “cultural” and “creative” activities which have been promoted, especially during the years before the inscription into the WHL: she documents a larger presence (and increase) in the Valdinoto municipalities as compared to regional and national data, of enterprises in sectors like publishing, printing, audiovisual, multimedia, wood processing, furniture, jewelry and musical instruments manufacturing, and also restoring and renovating buildings. Moreover, several events involving local enterprises of typical high-quality products

and cultural operators can be listed, which started in the years around the recognition (i.e., Baroque Festival, Baroque Week, the Baroque train).

Similar considerations apply to the mentioned case of Ferrara: in the years around the UNESCO recognition, a set of remarkable initiatives have started in the field of cultural activities: entertainments like the regular Busker festival, or specialized exhibition, like “Restauro”, a fair entirely focused on the restoration, conservation and protection of the historical, artistic, architectural and natural heritage. This fair, which arrived at its 24th edition in 2016, has made Ferrara to be recognized as a capital of building restoration in Italy and in Europe.

The management and the governance rules are very important in determining the economic success of the inscription as well. The process for obtaining the recognition can activate cooperation, at the local level, among actors, and helps build *social capital*. Social capital is made by civic participation and reciprocal trust; more importantly, it is a public good, that allow market institutions to work better (see the seminal contributions of COLEMAN, 1988; and PUTNAM *et al.*, 1993).

A specific example is provided by Cuccia and Rizzo (2014): they show that the difficulties of Valdino in maintaining, for a long period of time, the high tourism performances registered before the UNESCO inscription can find a possible explanation in the difficult coordination among the municipalities, and in the vertical and horizontal fragmentation of policies. Again, with reference to the case of Valdorcia, Moreschini (2015) explains the differences across the municipal performances, by resorting to the different municipal rules concerning the permits to build and restore residential structures; different rules gave rise to different outcomes, characterized by conflict or cooperation among population, private entrepreneurs and policy-makers. The stronger the conflict, the poorer the performance. Notice that the set of municipal rules is an institutional aspect that represents a local public good. Tacit cooperation, or explicit rules to strengthen cooperation, are local public good as well. All these public goods, of institutional nature, play a relevant role in determining the success of the UNESCO recognition.

5. HUMAN CAPITAL, SOCIAL CAPITAL, AND THE “CREATIVE ATMOSPHERE”

In classical economic thought, physical capital is deemed to be the engine of growth. The endogenous growth economic theories have underlined, rather, the role of human capital. Subsequently, a central position was attributed to social capital. The movement of emphasis from *physical* to *human*, and subsequently to *social* capital appears to appropriately describe also the approach of UNESCO in giving the recognition of being part of the WHL.

Over the first years of life, UNESCO focused its attention on the historical and artistic value of specific monuments and cities; later, idiosyncratic immaterial culture attracted attention: there is no doubt that monuments and cities embed idiosyncratic (even tacit) knowledge. Currently, the role of local communities in their relationships with the environment and heritage is underlined. Stress is also posed upon creativity.

In the website of UNESCO one can read:

By encouraging diversity and contemporary creation, UNESCO endeavors to ensure that all cultures – with due respect for their equal dignity – benefit from the development opportunities opened up by creative industries through strengthening local markets and providing better access to international markets, particularly by means of North-South and South-South cooperation. In the field of creative industries such as crafts, design, publishing, cinema and music, expert support is provided to collaboration between public and private actors, to training activities and to fairs, festivals and shows with a regional and sub-regional scope in the countries of the South. (UNESCO, undated)

The importance of creativity for economic growth is out of doubt. Needless to say, a specific manifestation of creativity, that is industrial innovation, is at the center of classical economic thought and it is the core of the Schumpeterian paradigm. Nowadays, creativity encompasses the issue of industrial innovation, and it is a larger concept that has to do with culture.

In a seminal contribution of Florida (2002), creativity was mainly associated to cities and urban development; subsequent contributions prefer a slightly different interpretation of creativity, that is associated to territories and districts, rather than city centers (see COOKE and LAZZARETTI, 2008). Following Bertacchini and Santagata (2012), we here propose to interpret the creativity of communities as the capacity to combine tangible cultural heritage with their intangible and material culture. Consistently, we suggest that, in the creative industries, one has to comprehend the production of goods and services that are directly and indirectly connected to the valorization of the local cultural heritage. This means that creativity invests not only *stricto sensu* in creative sectors (like performing arts, or publishing) but also in manufacturing sectors (such as handcraft, wood processing, furniture, jewelers, and so on) as well as the housing: building and requalification can be considered creative according to the wider definition mentioned above. Hence, also creativity, in this meaning, may be considered as a local public good.

Notice that the valorization of cultural heritage has a positive impact on the local economy, which is not limited to the direct effect on the demand side, through

aggregate consumption, investment and public spending; rather, the idiosyncratic material culture becomes a fundamental input of any productive process. It allows considering many kinds of productions as “creative activities”. On this assumption, the tourism industry and the cultural tourism niche can be considered a “creative industry” as well.

It is worth underlining that “creative tourism” is a label, probably coined by Richards and Raymond (2000), which is widely used today, with many different facets. It is used with reference to tourists, and their needs to re-invent the tourism experience, as well as with reference to tourism destinations and their needs to offer something different in a highly competitive and differentiated market (RICHARDS, 2011; RICHARD and MARQUES, 2012). What we suggest here is that the endowment of cultural heritage, including immaterial idiosyncratic knowledge, is the essential input to produce creative goods, and the UNESCO recognition can have long-lasting development effects only if it is able to promote the accumulation of these local public goods and their use in different production fields. It is also worth underlining that tourism always entails “exchange” (between visitors and services providers, but also within the providers’ group), and so the creative tourism requires reciprocal trust and hence it is also a source to build social capital. Thus, notice that the intangible public goods we are dealing with are not substitutes but complements.

6. CONCLUDING REMARKS: POLICY, CULTURE AND DEVELOPMENT

In this paper we have argued that the inclusion of a site in the UNESCO World Heritage List has sometimes been interpreted by local policy-makers as a way to gain political consensus from local population: in such cases, the UNESCO certification has been viewed as a goal, rather than as a means, and the effects of the certification upon local economy have been negligible. However, in several other cases, the benefits have been large and long-lasting. In our present interpretation, the difference across results is linked to the capacity of generating additional public goods, especially during the process of inscription to the UNESCO WHL.

The inclusion in the UNESCO WHL in itself is a local public good, that may benefit several local actors. The largest benefits, however, can derive from additional, complementary public goods that the process for obtaining the recognition can generate.

Infrastructures and public capital – that several times are accumulated over the years before obtaining the UNESCO recognition – are of course “material” public goods. Similarly, private infrastructures and private capital are typically cumulated in the years when the inscription process is under way, and they do exert, of course, externalities,

and have a public good component. For several years, analyses have been focused on these “material” inputs, when evaluating pros and cons of UNESCO inscriptions.

Immaterial inputs, however, are important as well. The emphasis on human capital and idiosyncratic knowledge, especially during the 1980s and 1990s was well-founded. The awareness of the importance of knowledge (and tacit knowledge), and its role in material culture is a key element for sustaining long-lasting development processes.

The most recent cases of UNESCO inscription appear to support the importance of the relations of local communities with their environment and heritage. Our present analysis of Italy has shown that the cases in which the recognition seems to have provided good results are associated with the capacity of exploiting and stimulating local “creativity”– where creativity has to be interpreted in a wide sense, and it is founded on specific and idiosyncratic body of knowledge. We suggest that this conclusion can be generalized: the success of UNESCO recognition depends on the ability of local communities to use the inscription process to the UNESCO List in order to generate a large set of additional public goods.

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