

THE CONSERVATION AND DEVELOPMENT OF THE URBAN HERITAGE: A TASK FOR ALL SOCIAL ACTORS

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Abstract

There is a growing interest in Latin America for preserving and developing the rich urban heritage of the region. Communities are pressing governments for more action and supporting the allocation of funds to these uses. The article argues that the sustainable conservation of urban heritage sites require: putting the heritage assets to uses for which a demand exists and the involvement of all social actors in their most efficient capacity and in accordance with their best interests. Only by putting the preserved assets to uses with social or market demand the conservation effort will become sustainable as the users will have incentives to operate and maintain them. Furthermore, urban heritage conservation cannot be tackled through the uncoordinated action of individual actors. The success of the coordination effort depends on the efficient allocation of the costs, benefits, and risks involved in urban heritage preservation among the actors that are best suited to take them or have the greatest interest in doing so given the potential returns: profits in the case of real estate investors, better relations with the community in the case of private philanthropies, and votes in the case of elected officials. The leadership of the public sector is essential to encourage the involvement of other interested groups or individuals and to channel public and private funding to the most efficient uses: private real estate capital to finance income-generating projects, private philanthropy to conserve monuments, and public resources to upgrade public spaces, urban facilities and infrastructure.

Keywords: *urban heritage, preservation policy, public-private partnerships*

Cities and towns of Latin America are the repositories of a vast and valuable heritage including testimonies of Indian and European town planning, architecture, and decorative arts and crafts, as testified by the fact that as of 2007, 33 of the region's urban areas are declared World Heritage sites. After a long period of neglect, communities are increasingly interested in preserving and developing this heritage and are both pressing governments for more action and supporting the allocation of funds to these uses.

Focusing briefly on the complex issue of the value of heritage and on the extent that they motivate the preservation of heritage in Latin America it can be observed that there still only a partial appreciation of the many dimensions of the socio cultural and economic values held by urban heritage (Carrión, 2001). As stated by Throsby (2002)

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socio cultural values refers to intangible flows of services provided by an heritage building or urban space: *historical value*, a connection with the past; *symbolic value*, objects as repositories or conveyors of meaning; *aesthetic value*, beauty or harmony; *spiritual value*, understanding, enlightenment, or insight; *social value*, connection with others or sense of identity. Economic values of urban heritage on their part are of two main types, use and nonuse values. *Use value*, refers to the services provided by the heritage buildings or urban spaces for those who consume them (and is made evident by the monetary payments made by them, for instance, the entry fees paid by visitors to historic sites.) *Nonuse value* refers to the value placed upon a range of nonrival and nonexcludable public-good characteristics typically possessed by urban heritage buildings or public spaces: *existence value* (people value the existence of the heritage item even though they themselves may not consume its services directly); *option value* (people wish to preserve the option that they or others might consume the asset's services at some future time); and *bequest value* (people may wish to bequeath the asset to future generations.)”.

Economic Values					
Use values			Non use		
Direct use		Indirect use	Existence	Inheritance	Philanthropic
Non consumption	Consumption				
Socio cultural values					
Esthetic	Spiritual	Social	Historic	Symbolic	

Table 1. The values of urban heritage. After Throsby (2002) and Mourato and Mazzanti (2002)

Socio cultural values were the first to be recognized. Two were initial motivators of early historic preservation efforts in Latin America: the historic and symbolic value of buildings or urban sites where history took place, and the spiritual value of places of worship. Communities have long been willing to contribute or devote public resources to the preservation of public buildings and squares, of churches and convents. More subtle and difficult to measure social values, like the esthetic and social importance of urban heritage, has been slower in entering into the debate and in gaining widespread recognition (Gutman, 2001.)

Economic values have also played a role, although minor. Direct use value of heritage as a tourist attraction was an early motivator of investing public funds. However, this value has proven to be of lesser importance than originally thought given the relatively small contribution of tourism to local economic development, outstanding exceptions aside, like *Cartagena de Indias* in Colombia or *Antigua* in Guatemala. Economic values, significant motivators of historic preservation in the developed world, have yet to be embedded in Latin American society. This is the case of the direct use value of heritage buildings for housing and commercial uses, a consumption use that is mobilizing private investment to supply housing for high-income residents, retail and office space in historic

centers of European and North American cities. The donation value of heritage is scarcely a motivator of investment in Latin America. The focus of philanthropic giving in the region is on poverty alleviation and other social and religious concerns. Only recently some countries began encouraging the donor community to give for cultural activities. The urban heritage has not benefited yet of these developments.

This analyses leads to highlight a first area of policy development for Latin America concerning urban heritage: the need to expand research and education on this heritage to enlarge the range of values that motivate communities to invest in its preservation and development. Socio cultural values are revealed by historic, artistic and sociological research. These activities provide public goods thus need to be encouraged and funded by the public sector or made attractive as object of donation for the private philanthropy. Education programs in schools must include heritage as a topic of study and debate. Universities must develop training and research programs on the value of heritage and preservation strategies. A well-informed community, knowledgeable about the many dimensions of the value of their heritage will be more prone to appreciate existence and inheritance values, thus more interested in investing public and private resources in its preservation and development. Conversely, a community that barely knows about these values is more inclined to accept its destruction to make room for new buildings.

The community's attitude towards the preservation and development of the urban heritage mirrors the evolution of the appreciation of the value of heritage in the elites. For many years, planners, politicians and influential members of the community have considered the built heritage as representation and a memory of the backwardness of colonial rule and of inefficient development models. In sum, of all that modernism was trying to overcome. Consequently, little or no attention was paid to its preservation. Urban development plans, particularly those of large and fast growing cities, routinely declared significant portions of the historic fabric as "areas for urban renewal", meaning that the existing historic structures could be removed to make way for new high rise buildings.

Concern for the fast disappearing heritage emerged in the cultured elite, intellectuals, historians, artists, and some architects practicing within the modern movement. In some countries, as early as the 1930s, members of the elite were pressing for the preservation of archeological and historical sites threatened by looting or urban growth. They inspired heritage preservation legislation and led the establishment of government institutions devoted to the protection of the heritage. Notable results of this activity are the National Institute of Historic and Artistic Heritage of Brazil (IPHAN) and the National Institute of Anthropology of Mexico (INA.) To date, most Latin American countries have at least some legislation attempting to protect the urban heritage and a few have initiated reforms towards sustaining this process in the long run.

However, most countries are still locked in what can be called a *first phase* in the movement towards preserving and developing urban heritage (Rojas and Moura Castro, 1999). This is a phase in which the concerns of the elites translate into isolated actions to preserve a historic or artistically significant asset with funds coming from the philanthropy or sporadic allocations of public funds. The preserved buildings are mostly devoted to public uses often with little social demand or with weak institutional support. The conservation process focused mostly on the individual building and less on the stakeholders and sustainable uses that can contribute to sustain the preserved asset.

Narrowly defined values of the heritage, mostly historic or esthetic, lead to narrowly defined and executed interventions. Under this approach there is a misalignment, or asymmetry in the relations among actors. Those who care about the heritage, the cultured elite, are not the ones that pay for the preservation, mostly private philanthropists or the national taxpayers, who in turn, are not the main beneficiaries, the local communities or tour operators, depending on the case. These limitations lead to the mobilization of a reduced amount of resources and on unsustainable bases. Further, they lead to poorly defined institutional and management arrangements.

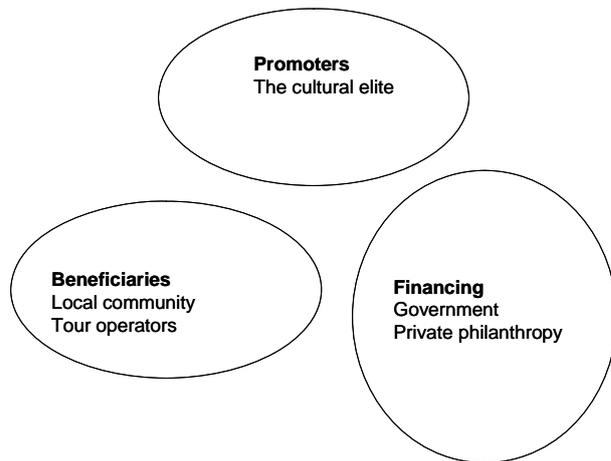


Figure 1. Stakeholder alignment in the first phase

Some countries moved to a *second phase* in the preservation of urban heritage. A phase in which a broader realization of the economic non use values of existence and inheritance is added to the direct consumption use by tourism and previously held historic and esthetic values.

Responding to the pressures of the elites, and cognizant of the wider value assigned to heritage by the community, national governments enact preservation legislation, create national institutions to cater for the heritage and devote some resources to its preservation and development. Competing for resources with many pressing social and infrastructure needs, and executed by institutions with little experience, these efforts do not fulfill the objective of installing a sustained process of urban heritage preservation and development. In this phase, most of the asymmetries that characterized the previous phase remain. Those who pay for historic preservation, the national taxpayers, are not those who promote the actions nor those that directly benefit from it.

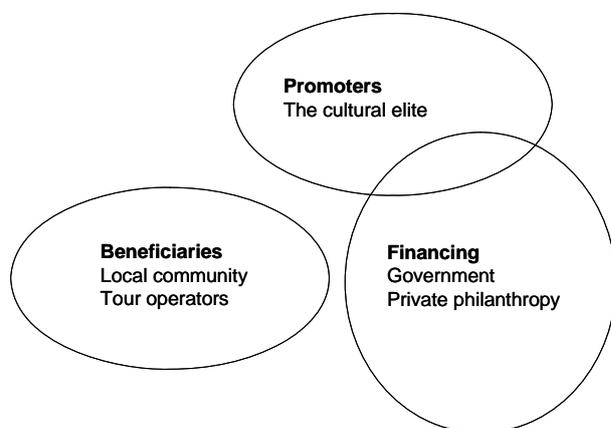


Figure 2. Stakeholders alignment in the second phase

These problems lay at the core of the difficulties experienced by most communities in mobilizing financial, institutional and human resources towards the sustained conservation and development of urban heritage. The difficulty lies in the lack of clear links between the social processes through which heritage is valued with the social processes through which financial and institutional resources are allocated. The key to sustainability lies in better aligning the actors so as to ensure that those that benefit from urban heritage preservation and development coincide to the greatest extent possible with those that pay for the required interventions and with those that promote the process. This involves realigning the interests of all the social actors involved in the process and allowing for different social resource allocation processes to work harmoniously towards a common goal. Better urban heritage research and education is necessary condition, but it not sufficient. Institutional reforms and adequate signals to the markets must also be instituted.

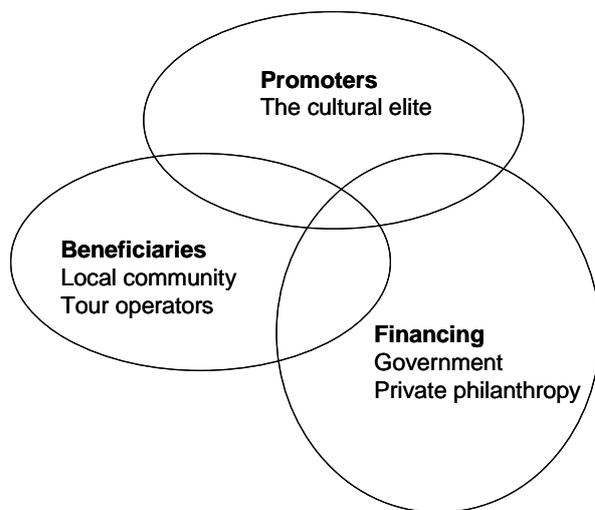


Figure 3. Cooperation among stakeholders for sustainable urban heritage preservation

Two main areas of concern become priority: effectively act in response to the multiplicity of values held by the urban heritage, and allow the multiplicity of interested actors to cooperate fruitfully and harmonically in the endeavor of preserving and developing this heritage.

Responding to the multiple values of heritage requires a change in perspective for the interventions. Urban heritage preservation and development activities must become part of a larger urban rehabilitation process that tackle not only the historic preservation problem posed by the heritage sites and buildings, but the larger issue of turning the urban area that contains the heritage into a fully functional and developed portion of the city. This will allow for the direct use values to be realized through expanded consumption of heritage assets for residential, commercial and recreational uses. Attainment of this enlarged objective requires the efficient merging of methods of intervention and financing from two spheres of public action, those of historic preservation and those of urban rehabilitation.

To promote the efficient cooperation among actors, the institutional and operational mechanisms should allow each group of stakeholders to promote the urban heritage values they feel are important, and establish channels through which each group contributes to shoulder the burdens of financing and managing the preservation of these values. Public private cooperation is essential, however, it is a process that is difficult to

organize efficiently in Latin America where this marriage of interest is still regarded with suspicion when not banned altogether.

Execution of an urban heritage conservation strategy based on cooperation between the public and private sector poses institutional and financial challenges. The institutional mechanisms must be able to channel the actions of the various actors into activities for which they have the greatest comparative advantage, and assign the risks inherent in urban heritage conservation to the actors who are best suited and have the most interest in taking them in view of the potential benefits. The financing mechanisms on its part must be capable of generating a mix of resources that will enable all those involved to contribute in proportion to the benefits received and in accordance with their particular interests. Taxpayer funds to cover conservation costs that produce public goods and resources from real estate investors go into profit-making investments. These mechanisms must also allow private philanthropies to find investment niches that satisfy their charitable and public relations objectives (usually buildings and public spaces valued by the communities, such as historic and religious monuments, museums or traditional places of social interaction).

The success of urban heritage conservation efforts through public-private partnership depends on the efficient allocation of the costs, benefits, and risks among the participants who are best suited to assume them or have the greatest interest in taking them given the potential returns: profits in the case of real estate investors, better relations with the community in the case of private philanthropies, and votes in the case of elected officials (Rojas, 2004.)

Partnering such varied interests demand leadership on the part of governments. Exercising this role requires significant political capital on the part of elected officials as most of the heritage values (existence, bequest, esthetic, spiritual, social, historic, and symbolic values) are of interest to the whole community and are usually made explicit through political processes involving citizen participation in the resource allocation process and political pressuring. These values can only be protected by agencies that represent the community. In a democratic context, these interests are well represented by elected government bodies. Furthermore, the public sector is the only actor capable of solving the coordination problem confronted by actors operating in deteriorated urban heritage areas, and of mitigating the bias of private philanthropy so as to establish a sustainable urban heritage conservation process that is consistent with the community's objectives.

In closing, it is worth reiterating that the essential conditions for sustainable heritage conservation are: involvement of all social actors in their most efficient capacity and in accordance with their best interests, and conversion of the heritage properties for uses for which a demand exists. Urban heritage conservation cannot be tackled through the uncoordinated action of individual actors. It demands concerted action by all interested parties, which can occur only with public sector leadership. Public leadership must encourage the involvement of other interested groups or individuals and channel public and private funding to the most efficient uses: private real estate capital to finance income-producing projects, private philanthropy to conserve monuments, and public resources to upgrade surrounding areas. Only by putting the preserved assets to uses with social or market demand the conservation effort will become sustainable.

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