Cultural Heritage: an Asset for Urban Development and Poverty Reduction

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Defining Cultural Heritage

As used by the World Bank, the term “cultural heritage” includes:

- **tangible heritage**: the monumental and physical remains of cultures, and
- **intangible heritage**: traditional knowledge, local practices, and cultural industries.

**Tangible heritage: historic town, Al Hajarah (Yemen)**

**Intangible heritage: knowledge to produce rugs, Madaba (Jordan)**
Cultural Heritage and Poverty Reduction

“In an increasingly globalized world, economic and cultural imperatives can be seen as two of the most powerful forces shaping human behavior.”

David Throsby

Preserving and promoting cultural heritage and cultural products can help reduce extreme poverty in those developing countries that are economically poor but endowed with a rich and diverse heritage.

President Zoellick asking about the details of the restoration of Huguang Huiguan Guild Complex, a cultural heritage site in the inner-city of Chongqing (China), restored with Bank support.
Cultural Heritage and Poverty Reduction

- Supporting labor intensive operations (physical rehabilitation);
- Promoting job creation and income generating activities (food, crafts);
- Improving the living conditions of the urban poor (access to services);
- Rehabilitating the housing stock in dilapidated inner cities;
- Preserving the social identity of local communities; and
- Promoting low-tech solutions which are environmentally friendly.
The Bank’s Approach to Cultural Heritage has Evolved Substantially over time

1. **1970-1980, “do not harm”:** avoiding damaging tangible cultural heritage assets in infrastructural project implementation,

2. **1980-2000, “specific intervention”:** investing on single tangible cultural heritage assets to develop tourism, and

3. **2000-now, “integrated approach”:** integrating cultural heritage in local economic development, considering tangible and intangible assets comprehensively, with a specific focus on historic cities rehabilitation, considering them as both service hubs for residents and sustainable tourism destinations.
Components of a Typical Cultural Heritage Project of Third Generation

Cultural heritage projects of third generation focus on integrated urban rehabilitation of inner-cities and feature:

1. Urban infrastructure improvements,
2. Preservation of key monuments,
3. Support of small and medium enterprises, and
4. Capacity building and project management.
Bank’s Experience - Project Portfolio

- Since the 1970s, the Bank has financed **241 operations** (208 lending and 33 non-lending) having components in heritage conservation and promotion of local economy through sustainable tourism, for an investment of **US$4 billion**.

- There are currently **117 operations under implementation** (100 lending and 17 non-lending), for an actual investment of **US$1.8 billion**.

The figures refer only to the actual Bank commitment in cultural heritage and sustainable tourism, and not to the overall project amounts.
The figures refer only to project components featuring direct investments in cultural heritage and sustainable tourism.
Bank’s Experience - Case study 1

Fes Medina Rehabilitation Project in Morocco (1998-2005)

Total project cost: US$28 million

Bank commitment: US$14 million

1. Upgrading the historic housing stock,
2. Improving access to services for the urban poor,
3. Preserving key monuments,
4. Implementing a labor-intensive public works program, and
5. Enhancing the institutional framework.
Bank’s Experience - Case study 2

Cultural Heritage, Tourism, and Urban Development Project in Jordan (2007 - ongoing)

Total project cost: US$71 million
Bank commitment: US$56 million

1. Rehabilitating the built environment,
2. Improving access to services for the urban poor,
3. Preserving key monuments,
4. Encouraging small and medium enterprises, and
5. Enhancing the institutional framework.
Bank’s Experience - Case study 3

Xi'an Sustainable Urban Transport Project in China (2007 - ongoing)

Total project cost: US$414 million
Bank commitment: US$150 million

1. Improving road network, traffic management, and road safety,
2. Enhancing public transportation,
3. Managing air quality in the inner-city,
4. Preserving key monuments, and
5. Enhancing the institutional framework.
Lessons Learned

Moving from tourism-based projects to more comprehensive projects addressing urban development in historic inner-cities

- **First generation projects** aimed only at avoiding damages to cultural heritage assets:
- **Second generation projects** may have created new problems for local populations e.g. excessive stress on “tourism”;
- **Tourism** and other income generating activities need to be put together, as tourism cannot be the only key for investment.
- **Third generation projects integrate cultural heritage in urban development.** These new projects aim at creating a symbiotic relation between local economic development and heritage preservation, with the overall objective of leveraging inner-cities as service hubs for the residents and sustainable tourism destinations.
Lessons Learned

Historic inner-cities rehabilitation, in order to be successful, should:

- Work with local communities and include investments to improve the living conditions of broader community where CH site is;
- Tackle the land use and property rights issues;
- Along with infrastructure investments, develop the local economy through the cultural industries;
- Local institutional capacity can be very weak making implementation challenging.
- Expect unforseen circumstances (build in to project design).
Challenges

- Preparation of projects that integrate urban development and cultural heritage need substantial information up front *(solid knowledge)* of the country potential, urban features, tangible and intangible heritage assets.
- Project preparation can be time consuming and expensive *(economic and feasibility studies, technical assistance)*.
- Can’t always anticipate situation – more or less complex than upgrading?
- Safeguards - can be tricky. What to do if resettlement is involved?
- Will improvements price low income residents out of the market?
- Demand will be greater than available resources *(general problem with slums)*
Addressing Challenges

The Bank involves several technical partners to design and implement third generation projects.
Future Improvements

Expanding the present Trust Fund and involving more Donors

- Technical Advisors
- Donor Committee
- Symposia
- Framework Agreement
- Grants to TTLs
- New projects in IDA and IBRD Countries

Cyrene (Libya)
Thank You!

Children involved in the “Vietnam World Heritage in Young Hands Program,” a two-year education initiative