3 The Evaluation of Cultural Heritage: Some Critical Issues

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1. THE NEED TO EVALUATE CULTURAL HERITAGE

Decisions on preserving art objects and art institutions are continually taken by governments and public administrations. Preservation implies maintaining the stock and hindering its dilapidation and worsening. Keeping up the stock creates opportunity cost as the resources involved (labour and material inputs, and in the case of historic monuments especially the sites) could be used for alternative purposes. Current funds are needed to repair and safeguard the objects. In order to take these decisions rationally an evaluation of the value of the cultural heritage (compared with relevant alternatives) is required.

Economics offers a wide range of approaches and techniques to help in this decision. The goal always is to assess how much satisfaction value individuals derive from art objects or art institutions. Therefore, their willingness-to-pay is investigated. Section 2 critically analyses these procedures and in particular the ‘Contingent Valuation’ technique. The following section focuses on the specific problems when these procedures are applied to cultural issues. As the evaluation of their usefulness for policy purposes turns out to be rather sobering, section 4 presents a policy approach which differs fundamentally from the social welfare considerations underlying the willingness-to-pay studies. It is based on constitutional choice and proposes an integration of evaluation and decision by using direct democratic institutions, that is popular initiatives and referenda. Section 5 offers conclusions.

2. EVALUATION PROCEDURES

A. Willingness-to-Pay

There is a well-established way to evaluate non-marketed goods: willingness-to-pay values measure the price that would be maximally paid
by a person for the object or project in question. Several methods are available and have been empirically employed (Cropper and Oates, 1992; see also Pommerene, 1987; Mitchell and Carson, 1989): (i) averting behaviour approach; (ii) weak complementarity approach; (iii) hedonic market approach related to urban amenities or wage amenities; (iv) travel cost approach. Each of these methods depends on rather narrow assumptions: for example, the hedonic market approach proposes that full equilibrium is reached so that the market prices fully reflect the value of the non-marketed objects. The travel cost approach presumes that the object in question is the only purpose of the trip, and that the trip itself does not yield any pleasure. As these essential assumptions are in many cases not met in practice to a sufficient degree to make the respective methods seriously applicable, most economists have turned to 'Contingent Valuation' (CV), which uses sample surveys to elicit the willingness-to-pay for objects or projects. The questionnaire involves a hypothetical situation; the term 'contingent' refers to the constructed or simulated market presented in the survey.

B. Contingent Valuation

This method of estimating people's willingness-to-pay has been widely used by economists even though it violates the basic theoretical presumption that revealed preference is the only reliable way to capture preferences, as people tend to strategically misrepresent them in surveys. Over the years considerable experience has been gained. In their bibliography, Carson et al. (1994) list almost 1700 studies in over 40 countries. Early examples include evaluations of a reduction in household soiling and cleaning (Ridker, 1967), the right to hunt waterfowl (Hammack and Brown, 1974), reduced congestion in wilderness areas (Cicchetti and Smith, 1973), improved air visibility (Randall, Ives and Eastman, 1974), and the value of duck hunting permits (Bishop and Heberlein, 1979). Most Contingent Valuation studies evaluate objects in the natural environment, but there are also other applications such as the reduced risk of dying from heart attack (Acton, 1973), reduced risk of respiratory disease (Krupnick and Cropper, 1992) and even improved information about grocery store prices (Devine and Marion, 1979). A politically important recent application has been a Contingent Valuation study (Carson et al., 1992) measuring the environmental damage caused by the supertanker Exxon Valdez, which ran aground in March 1989 in Prince William Sound, Alaska, spilling 11,000,000 gallons of crude oil into the sea.

The enormous sum of money involved in the litigation connected with the Alaska oil spill has further drawn the attention of the economics community to the Contingent Valuation method. Indeed, a large number of well-known American economists have been employed as advisers, either by public authorities and environmental interest groups, or by the oil company. As a consequence, the Contingent Valuation method has come under careful scrutiny in the profession.

The United States National Oceanic and Atmospheric Administration (NOAA) hired no less than two Nobel prize winners (Kenneth Arrow and Robert Solow) to co-chair a panel (including Edward Leamer, Roy Radner, Paul Portney and Howard Schuman, a professor of sociology and survey research expert) with the task of assessing the Contingent Valuation method. The panel's report (Arrow et al., 1993) concludes 'that CV studies can produce estimates reliable enough to be the starting point of a judicial process of damage assessment, including lost passive-use values'. The term 'passive-use values' refers to the non-use values of the environment composed of existence, option and bequest benefits. However, the report stated a large number of stringent requirements for that conclusion to hold. The most important are:

(i) use of personal interviews rather than telephone surveys, which in turn are preferable to mail surveys;
(ii) a scenario must be described which accurately and comprehensively presents the expected effects of the programme under consideration (without, of course, intentionally producing a response which the surveyor finds desirable);
(iii) it must be made clear what would be available to spend on other things if the project or policy is not undertaken – that is, the budget constraints must be clearly specified;
(iv) the respondents must be reminded of the substitutes for the commodity in question, by, for example, stating what other wilderness areas already exist or could be created independent of the one in question;
(v) it must be ascertained that the respondents understood the question and the underlying choices.²

The Journal of Economic Perspectives recently (Fall, 1994) carried a ‘Symposium on Contingent Valuation’ in which top economics practitioners were asked to evaluate the method in the wake of the NOAA panel report. In the lead article, Portney (1994, p. 16) summarizes his
view by stating: 'the contingent valuation method should be the object of further research and lively intellectual debate'. Who could possibly object to this? More research and more academic discussion is always desirable – especially if one does not have to carry the cost and no alternative activities are specified.3

An even more recent, and characteristically insightful, evaluation of the Contingent Valuation approach has been presented by Sen (1995a). He raises, among others, two important but little considered questions:

(i) Does the CV method require given preferences? It does not; preferences are only 'given' in the (logical) sense that 'given X, then we should do Y'. This does not prevent the evolution of individual preferences. Indeed, Sen (1995b) argues strongly that discussion and other forms of verbal exchange should become part of economists' considerations. A quite different thing is when the survey process itself creates the values one seeks to measure (see Hanemann, 1994, pp. 27-9). In that case, the procedure is useless because it does not elicit independent preferences, and any result one desires can be produced.

(ii) What is the underlying social choice assumption? The CV method imitates the purchase and consumption of a private good where the buyer decides for himself or herself. In CV, the valuation presumes that the benefits from the object or project in question can be achieved single-handedly. In the case of the Alaska oil spill, for example, a respondent could be asked how much she would pay to save the birds that perished. If she answered SFr.32, this would mean that if she paid the SFr.32 all the losses from perished birds would be wiped out altogether, and she would be prepared to make that payment. 'It is hard to imagine that this question and answer can be taken seriously, since the state of affairs the person is asked to imagine could not possibly be true' (Sen, 1995a, p. 29). Actually, if the person were really to believe that the SFr.32 could clear up the damage on its own, this would not constitute an extreme form of irrationality. But if people were irrational, the whole approach of asking individuals to evaluate a good would be mistaken. The methodological individualism, on which the CV approach – and neoclassical economics as a whole – is based, would no longer be acceptable, and one would have to resort to a completely different method.

The Contingent Valuation procedure only makes sense when it is constructed to save nature by a joint effort, and an individual's payment is a contribution to that end. Following Sen (1995a, p. 29) three assumptions are required to make the procedure consistent:

(i) the respondent actually pays what she promised — and so do all others;
(ii) the total payments are used to clear up the damage;
(iii) the respondent does not mind whether she pays her contribution along with others or pays the amount (SFr.32) on her own to make up single-handedly the damage in question.

Assumption (iii) is the most difficult to defend. Sen (1995a, p. 29) goes so far as to call the idea of treating the prevention of an environmental damage just like a private good 'quite absurd'. If one interprets the question about one's willingness-to-pay as a contribution to a joint effort, a new problem arises because a respondent's stated sum depends on how much she expects others to contribute. There are two opposing effects at work. If a respondent is willing to contribute something provided the others also do, we have an 'assurance game' (Sen, 1967; Deaton and Muellbauer, 1980). In contrast, if the respondent feels less pressed to contribute if the others already do, 'free-riding' is the outcome, and the respondents would all refuse to state any willingness-to-pay. Depending on whether the scenario favoured the assurance game or free-riding interpretation, the stated sums will differ widely. In any case, the individual as well as the aggregate willingness-to-pay are difficult to interpret. It could be speculated that the stated amounts conform more to the assurance game on broadly defined general social concerns in which many people show an interest, and where, therefore, strategic considerations leading to free-riding are less likely to occur.4

3. APPLICATIONS OF CONTINGENT VALUATION TO THE ARTS

A. Existing Studies

There are but few studies using the Contingent Valuation procedure on issues of culture. There have been attempts to measure the broad support for the arts in terms of the desired government expenditures (for example Throsby and Withers, 1983; Morrison and West, 1986). I am aware of only two serious studies where the procedure has been applied to measure the willingness-to-pay for specific cultural objects or institutions: Bille Hansen (1995) uses it for the Royal Danish Opera in Copenhagen, and Martin (1994) for the Musée de la Civilisation in Quebec.
Yet in cultural policy-making, decisions are continually taken on whether to preserve an object of cultural heritage, to demolish it, or at least to let it deteriorate beyond repair. A relevant example is that of villas in the ‘fin-de-siècle’ style or ‘Jugendstill’ which on the one hand are worth preserving, and on the other hand are situated in locations which can be most profitably used for other purposes; the villas are often very expensive to repair and to put to good use. Another example are the ‘galleries’ (shopping malls of the late nineteenth and early twentieth century) in Paris (and elsewhere) which are dilapidating, but which could still be restored.

It makes less sense to evaluate the benefits and costs of preserving, say, the Colosseum or (by now) the Eiffel Tower, because it is unimaginable that they would be torn down — or if, for some reason, a demolition were planned, a Contingent Valuation study would not change anything.

B. Specific Problems of CV Studies in the Arts

The problems and limitations of willingness-to-pay approaches in general, and Contingent Valuations in particular, discussed in section 2, apply, of course, also when the procedure is applied to objects of cultural heritage. It must, for instance, be ascertained that the respondents are made aware of the possible substitutes for the object in question. In the case of a Parisian gallery the persons surveyed must be informed about the existence of similar galleries in the same quarter, in nearby quarters, and even in other cities. The major social choice theoretic difficulty pointed out by Sen (1995a) is also relevant for CV studies in the arts, particularly insofar as they refer to specific objects.

Next, I shall discuss additional problems which are of special importance when Contingent Valuation is applied to cultural heritage. Four issues will be discussed.

Marginal vs. Total

CV studies typically confront the respondents with an ‘all or none’ choice, or with an indivisible good. Either the villa or the gallery is preserved in toto, or not at all. Bille Hansen (1995) explicitly states, for example, that the Royal Danish Theatre is to be run at the present activity level; an increase or a decrease of output is not considered. Clearly, it is always possible to vary the level — though that option is routinely and fervently rejected by suppliers. One possibility would be to give up the ballet section, or the opera section, and the respondents could then be asked their willingness-to-pay for these different activity levels. Even a villa or a gallery could be preserved in part, without completely destroying its historical value. Constructing such a demand curve for various ‘sizes’ or ‘qualities’ of the cultural good is, in principle, possible, but would involve much additional work, because the survey would have to specify exactly the various levels, and do it in a form which could be understood by the people being asked.

Non-Optimizing

This second issue is closely connected to the first, but is not identical. The Contingent Valuation method does not include an optimizing algorithm — that is, the historic object is presented to the respondents as it is. It is (implicitly) assumed that supply is already efficient in two respects:

(a) The object’s activities are so perfectly run that no improvement is possible without having to give up some other goal (X-efficiency). This assumption is, to say the least, heroic; it is known from the economics of art (see for example Throsby and Withers, 1979; Frey and Pommerenehne, 1990; Throsby, 1994) that there exist large opportunities for improvements in technical efficiency.

(b) CV studies also assume efficiency in the sense that the consumers’ preferences are met. Again, art economists provide overwhelming evidence to the contrary. In particular, the directors of theatres and museums, as well as the people in charge of historic sites, exploit the discretion accorded to them to follow their own preferences, which systematically and significantly deviate from what average citizens — who are relevant in willingness-to-pay studies — desire.

Contingent Valuation studies thus do not take into account much of the insight and knowledge which have been accumulated in cultural economics. Excellent opportunities for improvements in the presentation and therefore preservation of art are therefore overlooked. A most useful contribution of an economist to safeguarding our cultural heritage is to suggest already known or innovative ways to put it to good use. Thus, for example, a Roman arena can be employed for all kinds of artistic, popular and sports performances and festivities so that the respondents are likely to have a much greater
willingness-to-pay because the arena becomes connected with a completely different picture.

What Value for Whom?

It is not obvious what preferences should enter Contingent Valuation studies in the arts (and elsewhere). Two aspects are of particular importance:

(a) Psychological anomalies\(^5\) play a major role. Most importantly, the disparity between gains and losses matters. This endowment effect\(^6\) leads to a major difference between willingness-to-pay and willingness-to-accept, which according to standard theory should be equal. In a study of the valuation of the environment by duck hunters, for example, the willingness-to-pay to save a marsh area used by ducks was on average $47 per hunter, but they would on average demand $1044 - or 22 times as much - to accept the identical loss (Hammack and Brown, 1974).

The endowment effect has been associated with the idea of the 'patrimoine national' of art (Frey and Pommerehne, 1987). A loss is highly valued - imagine France losing the Mona Lisa, Rome losing the Colosseum, or the Uffizi being destroyed. But imagine that none of these historic treasures ever was there: does the Louvre really need the Mona Lisa when it has hundreds of other masterpieces; does Rome really need the Colosseum when it has, close by, the whole Forum Romanum with spectacular triumphal arches; and does Florence really need the Uffizi when it has other important museums as well as the cathedral? If this were true, the citizens would express a low willingness-to-pay to acquire these objects of culture anew. The question is what evaluation is to count, or, which is equivalent, what initial state is envisaged. Much speaks for taking the status quo and enquiring how high a loss would be evaluated. But in a long-term perspective, the issue looks different. Once it is hypothesized that an art object has never existed, or has been lost for a long time, the endowment effect vanishes and the evaluation of the respective art object is dramatically lower.

(b) Art is international, and it has been no rare occurrence that a country's culture is more highly valued by foreigners than by the inhabitants of the country itself. Yet Contingent Valuation studies normally survey only inhabitants. Thus, Bille Hansen (1995) only surveyed residents of Denmark for her study of the Royal Theatre. While this may be admissible in this case, in other cases it would be

Wholly mistaken. The Maya ruins in the jungles of Middle America, for example, are probably valued little by local people, but the North Americans and Europeans would express a rather high willingness-to-pay for their existence.

It might be argued that at least part of that willingness-to-pay would be expressed by local respondents who include in their evaluation the prospects of attracting tourists. Provided the questionnaire is well formulated this may be true to some extent, but option values are still not taken into account since they do not lead to actual visits. Even in principle only a minor part of the option value can be appropriated by the local residents in the form of royalties for the photographs taken and films made.

A similar problem arises with future generations, who cannot be surveyed at all. Part of the value is taken into account by the bequest motive of the respondents, but again the questionnaire has to be very carefully designed. For objects belonging to the cultural heritage the problem of capturing the willingness-to-pay of future generations is particularly intense because the issues involved are often extremely long-term, and it is known that future preferences with respect to art systematically deviate from the values of the living generation. Older people tend to attach much less value to contemporary art than is attributed by the following generations - at least from the vantage point of the latter.\(^7\)

Specific vs. Statistical Values

Individuals evaluate specific objects - such as particular cultural monuments - quite differently from non-specified, or statistical, objects. This disparity has first been found for human lives (Schelling, 1984). People are prepared to spend enormous sums to save the life of an identified person, such as a child who has fallen into a well. They are prepared to spend much less for efforts to save yet unidentified lives, for example using resources to reduce the number of deadly accidents on a road. This mirrors the two kinds of Contingent Valuation studies in the arts mentioned at the beginning. It would follow that respondents would indicate a much higher willingness-to-pay for the Royal Danish Theatre and the Musée de la Civilisation in Quebec than for public arts expenditure in general.

This effect is related to the 'embedding effect' (see for example Diamond and Hausman, 1994, pp. 50-3), which points to different evaluations of a specific object compared with a general attitude, or
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'Warm glow' as it has been called. It has been empirically established (Desvousges et al., 1993) that the willingness-to-pay to save 2000 birds of a particular kind is roughly the same as saving 20,000 or 200,000 such birds. As the death of 200,000 means that the number of survivors is smaller than with 2000 deaths, individuals with a (normal) concave utility function should indicate a more than 100-fold increase in the willingness-to-pay to save 200,000 over 2000 birds. In the arts, the embedding effect is in many cases relevant, for example in the preservation of a smaller or larger number of 'fin-de-siécle' villas.

C. Beneficial Aspects

The problems and difficulties so far discussed do not make Contingent Valuation studies worthless. It is important to see that they also provide major insights.

Serious Research Effort

Contingent Valuation studies promise to yield worthwhile results because they force the researchers to undertake a determined and extensive analysis of the art object in question. The questionnaire has to meet stringent requirements to be usable at all. Even more importantly, the representative survey approach addresses both visitors and non-visitors. Indeed, all studies undertaken so far have attributed great importance to surveying non-visitors in order to fully capture non-use values. The usefulness of a CV study is further increased if the assumptions made in the course of the analysis are discussed and systematically varied (see for example Bille Hansen, 1993) so that the robustness of the results can be evaluated.

Indirect Benefits

Contingent Valuation studies have the major advantage of being able to capture existence, option and bequest values: the contingent valuation method would appear to be the only method capable of shedding light on [such] potentially important values (Portney, 1994, p. 14). That such non-use values are of particularly great importance in the arts needs no saying.

Quality, not only Quantity

It has always been charged by 'arts people', be they professionals such as museum or theatre managers or just art lovers, that economic approaches can only measure the quantity of art but not the quality – and they hasten to add that really quality is decisive. Contingent Valuation proves such accusations to be wrong. The number of visits to a theatre, a museum or monument does not matter as such; rather, what matters is how highly a visit is valued by the individuals concerned. Moreover, non-use values are also integrated. The respective evaluations are not up in the air but are made comparable with alternatives, in particular with other uses of tax funds or with lower taxes and higher private consumption.

The real problem is how to communicate this fact to the arts people. They do not seem to be much interested in willingness-to-pay studies but rely on impact studies (see Frey and Pommerehne, 1990; Bille Hansen, 1994) because they tend to yield much higher absolute monetary values. Art economists rightly criticize impact studies which totally neglect non-use values, but arts people in this particular case give up their resistance against the 'monetization of art', an attitude which they otherwise cherish dearly.

4. COMBINING EVALUATION AND DECISION BY REFERENDA

Public decisions on culture are taken in the politico-economic process in which politicians, public officials, interest groups and citizens/tax-payers interact within a given constitutional framework. Thus, some cultural decisions are to be taken on the local level, others at the regional (cantonal, provincial) level and still others at the national level. These decisions are normally highly complex due to the many interactions. But the budgetary situation and the administrative constraints are always highly important and determine to a large extent how much money is spent in what ways for the arts. In contrast, willingness-to-pay studies which relate to social welfare and not to political exigencies are of little importance. Some actors may under some circumstances use the result of such studies to bolster their arguments provided they suit their interests.

A more effective way to influence cultural decisions is to identify the goals of the various actors (for example prestige or money income) and to care for them. In addition to politicians and public officials it is necessary to take business interests into account, in particular the tourist and building industries. But these purposes are best served by impact studies which show the direct monetary benefits
of the various business groups, and indicate the flow-back of tax revenue to the public treasury. It follows that while willingness-to-pay studies are not useless in the political realm, they are of minor importance.9

The major problem with the social-welfare-based willingness-to-pay studies is that they are divorced from political decisions. It is therefore proposed here that the willingness-to-pay is revealed, and at the same time the decision taken, by popular referenda. This proposal is theoretically cogent. Indeed, the NOAA panel headed by Arrow and Solow (Arrow et al., 1993) demands that 'contingent valuation should use referendum format' (Portney, 1994, p. 9). A well-designed Contingent Valuation study thus imitates a popular referendum – why then should it not be employed? As a decision mechanism referenda have many advantages over democratic decisions via representation. In particular, they evade the principal-agent problem and constitute an effective barrier against the 'classe politique' (see for example Frey, 1994; Bohnet and Frey, 1994). Both aspects are of particular importance with respect to cultural decisions because the politicians and bureaucrats tend to have a greater amount of discretion in this area than elsewhere. It has been empirically shown (Frey and Pommerehne, 1990, chapter 10) that individual citizens evaluate not only user-values but also existence, option and bequest values in their vote.

Seven counterarguments are often raised against the use of popular referenda for cultural policy:

Incapable Citizens

Voters are charged with being both uninformed and unintelligent with respect to cultural affairs and may therefore not be trusted to take 'good' decisions. The criticism concerning lack of information is dubious because when citizens are given the power to decide they will inform themselves; they do not acquire much information when they cannot affect anything. The state of information is not given but endogenous. The discussion process induced by the referendum produces the information necessary for decision-making, a service which the researcher has to perform artificially when undertaking a CV survey. With respect to the lack of intelligence with respect to art, referenda are, of course, in exactly the same position as all willingness-to-pay methods: in all cases individual preferences – and not the (supposedly) superior insights of a cultural/political elite – are to count.

Superficial Citizens

Voters are charged not to take referendum decisions seriously. It is quite true that they are 'low cost' (see Klient, 1986; Kirchhassner and Pommerehne, 1993), but this equally applies to Contingent Valuation procedures (but not to the travel cost method, which looks at revealed behaviour). One may even argue that individuals take a response to a survey even more lightly because the situation is purely hypothetical. Referendum voting is, moreover, connected with significant(161,528),(801,719)
to CV studies. Some of their interests are, however, taken into account by voters. As far as these interests are connected with business (tourism), propaganda is used to motivate voters to decide in their favour, an effect which does not exist in CV studies.

Institutional Restrictions

Referendum voting takes place in a well defined institutional setting while Contingent Valuation procedures abstract from it as much as possible. They endeavour to measure the 'true' preferences in the welfare-theoretic tradition, that is irrespective of particular institutional arrangements. However, the need to describe exactly the issue at hand, and to make it easy for respondents to understand (see the NOAA panel’s requirements discussed in section 2), forces the researchers to at least generally indicate the institutional environment. Otherwise, the respondents cannot be informed about the hypothetical situation. This means in practice that the respondents are partially and unclearly aware of the political environment of the decision. This may well distort the answers, since what the individual respondents really assumed remains uncontrolled.

Amount of Knowledge Gained

In a popular referendum, voters may only decide between 'yes' and 'no', while in CV studies much more information is collected. This is a clear advantage of such studies. However, the outcome of referenda can be analysed by cross-section (and sometimes time-series) methods to yield additional information. It has, for instance, been possible to isolate various non-user effects (see Frey and Pommerehne, 1990, chapter 10). Moreover, while the referendum decision itself is restricted to 'yes' or 'no', preference intensity is partly reflected in the decision to participate or not, and the fact that one's revelation of preference is connected with a binding democratic decision tends to raise the seriousness with which the decision is taken.

Cost

Referenda which are not an incremental part of political decision-making might be more expensive than CV studies. This, however, is not necessarily the case for institutionalized referenda taking place on a regular basis and on the appropriate level as in Switzerland, where citizens are asked to decide on communal, federal and national issues at the same time. The marginal cost of an additional issue is quite low (Mäckli, 1994).

5. CONCLUSIONS

The major conclusion of this discussion is that willingness-to-pay, and in particular Contingent Valuation, procedures are useful but have a decisive disadvantage: they are not connected to political decisions. Popular referenda combine the evaluation of competing alternatives (in the sense of CV studies) with democratic decisions. It has been argued that this combination is particularly relevant, and beneficial, for cultural decisions. Art economists who want to contribute to preserving the cultural heritage should not restrict themselves to undertaking willingness-to-pay studies, but should suggest constitutional changes allowing and prescribing the use of popular referenda for cultural decisions.

Referenda on issues of culture, and cultural heritage in particular, are feasible. Indeed, in Switzerland such referenda are routinely undertaken at all governmental levels. While at the national level the propositions relate to general laws and constitutional provisions on the support of the arts, at the cantonal and even more at the communal level citizens decide directly on the amount of subsidies and other monetary support for culture. As has been shown empirically (see Frey and Pommerehne, 1990), the voters are prepared to support a substantial share of such cultural outlays. Indeed, they tend to be more favourably inclined to support culture than other types of expenditures. It can, of course, be argued that Switzerland is different from other countries. This is certainly true, but what the Swiss example does show is that referenda on issues of cultural heritage can be undertaken, and that one can put trust in the voters' judgement.

A second major conclusion refers to all willingness-to-pay studies, including Contingent Valuation. Existing objects of cultural heritage should not be taken as immutable. Rather, cultural economists should seriously study how the cultural heritage can be better presented and managed in order to make it more attractive to the population. Suggestions should be made and analysed concerning how to improve their technical efficiency (that is to reduce waste) as well as to make them more compatible with citizens' preferences.
NOTES

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2. It is worth noting that all these requirements have nothing to do with 'high' theory; rather, they are concerned with normal social science methodology (in which economists are not particularly well trained). But this is another matter (see Frey and Eichenberger, 1993).

3. When it comes to their own subject, economists tend to forget their own gospel saying that ‘there is no such thing as a free lunch’, or, in that particular case, the panel’s exhortation that alternatives are to be clearly presented.

4. Note that this argument (shared by Sen, 1995, p. 30) might be thought to clash with the prediction that free-riding is the more likely to occur the more people are involved. However, what is stressed here is the common interest, and not the number of people involved.


7. Today’s younger generation values Jugendstil monuments more highly than the previous generation who produced them. But not all of what was called ‘art’ in the past is considered as such today.

8. That non-visitors have also to be asked in order to get a complete picture seems to be obvious. However, it is often not done in practice. When the editors of the European Economic Review, the Journal of the European Economic Association, wanted to evaluate the quality of their journal they surveyed their authors, and failed to survey rejected authors, non-authors (including discouraged authors), and non-readers.

9. This contrasts, not surprisingly, with the view of many practitioners of CV studies. Bille Hansen (1995, p. 1), for example, states: ‘A CV-study of the Royal Danish Theatre is of direct political interest as it can reveal whether [this theatre] is “worth the money” from the point of view of taxpayers.’

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